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COUNCIL INAUGURATION

CALL TO ORDER

INTRODUCTION

[Time: 00:00:05]

Vice Mayor Robbins: WELCOME, THANK YOU ALL FOR COMING THIS AFTERNOON ON A GREAT DAY. I AM VICE MAYOR DENNIS ROBBINS AND I HAVE THE DISTINCT PLEASURE OF INTRODUCING OUR NEW AND INCUMBENT COUNCIL COLLEAGUES FOR THE INAUGURATION, I WILL BEGIN WITH OUR CURRENT MEMBERS ON THE CITY COUNCIL. FIRST I WILL HAVE STAND IS LINDA MILHAVEN, AND OF COURSE BOB LITTLEFIELD, COUNCILMAN BOB LITTLEFIELD. AND TODAY WE ARE PLEASED TO HAVE OUR VERY OWN CITY CLERK, CAROLYN JAGGER ADMINISTER THE OATH OF OFFICE. SHE WILL FIRST SWEAR IN RETURNING COUNCILWOMAN SUZANNE KLAPP WHO TONIGHT BEGINS HER SECOND TERM AND SHE WILL BE SWORN IN WITH NEWLY ELECTED COUNCIL VIRGINIA KORTE AND GUY PHILLIPS. AND THEN AFTER THAT OUR CITY CLERK WILL ALSO SWEAR IN MAYOR JIM LANE. THIS EVENING THE MAYOR WILL BEGIN HIS SECOND TERM AS MAYOR AND HIS THIRD TERM ON THE CITY COUNCIL. SO, CONGRATULATIONS TO YOU ALL, I LOOK FORWARD TO WORKING WITH YOU ON BEHALF OF THE FINE CITIZENS OF SCOTTSDALE. AND FOLLOWING THE SWEARING IN THE MAYOR WILL GIVE AN INAUGURAL ADDRESS AND TONIGHT'S MEETING WILL BEGIN AT 5:00 AND WE WILL HAVE A BRIEF RECESS BETWEEN THE CEREMONY AND THE MEETING. WITHOUT FURTHER DELAY I WILL CALL UP OUR CITY CLERK, CAROLYN JAGGER TO ADMINISTER THE OATH OF OFFICE.

OATH OF OFFICE

[Time: 00:02:00]

City Clerk Carolyn Jagger: OATH OF OFFICE. RAISE YOUR RIGHT HAND AND REPEAT AFTER ME.

I, PLEASE STATE YOUR NAME, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES, AND THE CONSTITUTION AND LAWS OF THE STATE OF ARIZONA. THAT I WILL BEAR TRUE FAITH AND ALLEGIANCE TO THE SAME AND DEFEND THEM AGAINST ALL ENEMIES FOREIGN AND DOMESTIC. AND I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF THE OFFICE OF COUNCILMEMBER ACCORDING TO THE BEST OF MY ABILITY, SO HELP ME GOD. CONGRATULATIONS.

IF YOU WILL PLEASE RAISE YOUR RIGHT HAND. AND REPEAT AFTER ME.

Mayor Lane: I JIM LANE, DO SOLEMNLY SWEAR, THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES, AND THE CONSTITUTION AND THE LAWS OF THE STATE OF ARIZONA. THAT I WILL BEAR TRUE FAITH AND ALLEGIANCE TO THE SAME AND DEFEND THEM AGAINST ALL ENEMIES FOREIGN AND DOMESTIC. AND I WILL FAITHFULLY AND IMPARTIALLY DISCHARGE THE DUTIES OF THE OFFICE OF MAYOR. ACCORDING TO THE BEST OF MY ABILITIES SO HELP ME GOD.

INAUGURAL REMARKS

[Time: 00:04:27]

Mayor Lane: THANK YOU VERY MUCH FOR THAT AND THANK YOU ALL FOR BEING HERE. GOOD EVENING LADIES AND GENTLEMEN, IT IS REALLY NICE TO HAVE YOU ALL HERE ATTENDING. I HAVE TO MAKE MENTION AND THANK MY WIFE WHO IS HERE, MY WONDERFUL WIFE JOANNE, WHO IS ALWAYS HERE, BUT THIS IS A SPECIAL NIGHT FOR US TONIGHT AS WELL AS MY SISTER LIZ AND HER HUSBAND JERRY. THEY LIVE IN MESA, BUT NEVER-THE-LESS THEY ARE WELCOME HERE TONIGHT. FIRST I WANT TO CONGRATULATE OUR NEWLY ELECTED COUNCIL MEMBERS VIRGINIA KORTE AND GUY PHILLIPS, GREAT CAMPAIGN AND WELCOME. I WANT TO EXTEND SPECIAL CONGRATULATIONS TO OUR RETURNING COUNCILWOMAN SUZANNE KLAPP. GREAT CAMPAIGN, IT'S GOOD TO HAVE YOU BACK, EVEN THOUGH YOU NEVER LEFT AT ALL.

IT'S BEEN MY PRIVILEGE OF A LIFETIME TO SERVE AS MAYOR OF SCOTTSDALE AND IT WAS AN ABSOLUTE HONOR TO HAVE WON RE-ELECTION OUTRIGHT IN THE PRIMARY ELECTION AND TO HAVE CARRIED EVERY PRECINCT ACROSS THE CITY. I'M HUMBLED BY THE IMMENSE AMOUNT OF SUPPORT AND TRUST SCOTTSDALE VOTERS HAVE, ONCE AGAIN, PLACED IN ME AND I PROMISE TO CONTINUE WORKING EVERY DAY TOWARD MEETING THEIR HIGH EXPECTATIONS. WITH THE START OF THE NEW YEAR WE BEGIN WITH A NEW COUNCIL, OVER THE NEXT TWO YEARS WE SEVEN MEMBERS, YOUR ELECTED REPRESENTATIVES, WILL DEBATE MANY THINGS BUT MAINLY WE'LL DEBATE THE FUTURE OF SCOTTSDALE. SOME WILL ARGUE AGAINST GROWTH AND ANY CHANGE FROM OUR PAST, OTHERS WILL VIEW REGIONALIZATION AS A PATH FOR THE FUTURE MERGING US WITH OUR NEIGHBORING VALLEY CITIES AND THEIR LOOK AT INTEREST IN GROWTH. EACH OF THESE DIRECTIONAL THOUGHTS DESERVE AND WILL GET A FULL VETTING IN AN OPEN AND TRANSPARENT PROCESS. BUT LIKE MOST THINGS SOMEWHERE IN BETWEEN, BOTH OF THESE VIEWS, RESTS THE RIGHT PATH FOR OUR CITY. FOR ME, I WANT TO SEE SCOTTSDALE GROW GRACEFULLY WHILE CONTINUING THE STRICT STANDARDS THAT PRESERVE OUR FIRM GRIP ON THE REINS OF OUR UNIQUE HERITAGE.

SCOTTSDALE IS NOT SPECIAL BECAUSE OF OUR LOCATION OR SOME NATURAL RESOURCE, WE ARE NOT SPECIAL BECAUSE WE ARE PERCEIVED TO BE WEALTHIER THAN OUR NEIGHBORS, WE ARE SPECIAL BECAUSE WE CITIZENS CHOOSE TO BE, WE CHOOSE TO INVEST IN LAND CONSERVATION, WE CHOOSE TO HAVE HIGH STANDARDS FOR BOTH PUBLIC AND PRIVATE DEVELOPMENT. WE CHOOSE TO HAVE THE BEST PARK SYSTEM IN THE STATE. WE CHOOSE TO BE A MECCA FOR TOURISM WITH THE BEST DOWNTOWN AND BEST EVENTS CALENDAR IN THE STATE. AND MOST IMPORTANTLY IN THE RECENT PAST WE HAVE CHOSEN TO PLACE THE INTEREST OF THE TAXPAYERS FIRST BY ENACTING STRICT LIMITATIONS ON THE PUBLIC TREASURY, NOT ALL THESE CHOICES HAVE COME EASY BUT I THINK WE CAN ALL AGREE WE ARE GLAD THEY WERE MADE.

IN 2013 THE COUNCIL WILL BE FACED WITH A NEW SET OF CHOICES FROM A FAMILIAR SET OF CHALLENGES. DECISIONS ON OUR BUDGET AND EMPLOYEE COMPENSATION POLICIES ARE FAST APPROACHING. THE GENERAL PLAN UPDATE, WHETHER TO HAVE A BOND ELECTION, GOVERNMENT REGULATION AND INVESTMENT IN TOURISM WILL SOON BE ISSUES BEFORE US AS WELL. BUT BEFORE EACH OF MY COLLEAGUES VOTES ON THESE ISSUES I ENCOURAGE THEM TO JOIN ME IN ASKING TWO VERY SIMPLE QUESTIONS BEFORE ALL OTHERS, IS THIS GOOD FOR THE TAXPAYER AND WILL THIS PROTECT FREEDOM. IF WE CAN ANSWER YES TO BOTH OF THESE QUESTIONS THEN WE WILL KNOW THAT WE'RE ON A VIRTUOUS PATH. THERE ARE MORE MOUNTAINS YET TO CLIMB BUT WITH A NEW YEAR, A NEW COUNCIL, I BEGIN OUR FIRST MEETING THIS EVENING WITH A RENEWED SENSE OF OPTIMISM AND CONFIDENCE THAT WE WILL RISE TO MEET THESE CHALLENGES TOGETHER, FOR THERE ARE FAR MORE THINGS THAT UNITE US AS SCOTTSDALIANS THAN DIVIDE US. I THANK YOU AND I ASK THAT MAY GOD BLESS THESE AND OUR EFFORTS. THANK YOU VERY MUCH.

WE'RE GOING TO TAKE A LITTLE BIT OF A BRIEF BREAK AND THEN WE WILL START A REGULAR SESSION AND WE'LL HAVE FURTHER COMMENTS. WE INVITE YOU TO STAY AS WE ENTER INTO THE FIRST MEETING OF NOT ONLY THE YEAR BUT THIS SEVEN MEMBERS. SO THANK YOU AGAIN.

ADJOURN

[Time: 00:09:30]

CALL TO ORDER

[Time: 00:27:48]

Mayor Lane: GOOD AFTERNOON. I'D LIKE TO CALL TO ORDER JANUARY 8, 2013, CITY COUNCIL MEETING, OUR FIRST OF THE YEAR. CAN WE START WITH A ROLL CALL PLEASE.

ROLL CALL

[Time: 00:27:53]

City Clerk Carolyn Jagger: THANK YOU, YOUR HONOR. MAYOR JIM LANE.

Mayor Lane: PRESENT.

City Clerk Carolyn Jagger: VICE MAYOR DENNIS ROBBINS.

Vice Mayor Dennis Robbins: HERE

City Clerk Carolyn Jagger: COUNCILMEMBERS Suzanne Klapp

Councilmember Suzanne Klapp: HERE.

City Clerk Carolyn Jagger: VIRGINIA KORTE.

Councilmember Virginia Korte: Here

City Clerk Carolyn Jagger: BOB LITTLEFIELD.

Councilman Littlefield: HERE.

City Clerk Carolyn Jagger: LINDA MILHAVEN

Councilwoman Milhaven: HERE

City Clerk Carolyn Jagger: GUY PHILLIPS

Councilmember Phillips: HERE

City Clerk Carolyn Jagger: ACTING CITY MANAGER DAN WORTH.

Acting City Manager Dan Worth: HERE.

City Clerk Carolyn Jagger: CITY ATTORNEY BRUCE WASHBURN.

City Attorney Bruce Washburn: HERE.

City Clerk Carolyn Jagger: CITY AUDITOR SHARON WALKER.

City Auditor Sharon Walker: HERE.

City Clerk Carolyn Jagger: THE CLERK IS PRESENT.

Mayor Lane: THANK YOU. SOME ITEMS AND ADMINISTRATION. WE HAVE CARDS IF YOU WOULD LIKE TO SPEAK ON ANY ITEM THAT IS ON THE AGENDA. WE HAVE A WHITE CARD THAT THE CITY CLERK IS HOLDING OVER HER HEAD IF YOU WOULD LIKE TO COMPLETE ONE OF THOSE YOU MAY SPEAK TOWARDS A TOPIC ON THE AGENDA OR PUBLIC COMMENT. AND WE HAVE A WRITTEN COMMENT A YELLOW CARD, THAT SHE NOW HAS OVER HER HEAD THAT YOU CAN PUT YOUR COMMENTS ON AND WE CAN READ DURING THE COURSE OF THE MEETING. WE HAVE SCOTTSDALE POLICE OFFICER GREG CARLIN AND TOM CLEARY WITH US THIS AFTERNOON TO MY NEAR LEFT. AND THE AREAS BEHIND THE

DAIS ARE RESERVED FOR COUNCIL AND CITY STAFF BUT WE DO HAVE FACILITIES AVAILABLE OFF TO MY LEFT-HAND SIDE HERE MARKED UNDER RESTROOMS FOR YOUR CONVENIENCE.

PLEDGE OF ALLEGIANCE

[Time: 00:29:06]

Mayor Lane: WE HAVE THE PLEASURE THIS AFTERNOON TO HAVE THE PLEDGE LED BY BOY SCOUT TROOP SIX. GENTLEMEN IF YOU WILL ALL COME UP AND LEAD US IN THE PLEDGE, IF YOU WILL RISE PLEASE.

I PLEDGE ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA, AND TO THE REPUBLIC FOR WHICH IT STANDS ONE NATION UNDER GOD INDIVISIBLE WITH LIBERTY AND JUSTICE FOR ALL.

Mayor Lane: THANK YOU GENTLEMEN. IF YOU WILL, TURN THE MIC AROUND. IF EACH OF YOU INDIVIDUALLY COULD INTRODUCE YOURSELF AND TELL US WHERE YOU GO TO SCHOOL AND WHAT MY BE YOUR FAVORITE SUBJECT OR ACTIVITY.

[Time: 00:29:50]

Boy Scout Troop Six: I'M AIDEN, I GO TO INGLESIDE MIDDLE SCHOOL AND MY FAVOR SUBJECT IS PE. MY NAME IS JACOB STODELMYER, I GO TO INGLESIDE MIDDLE SCHOOL AND MY FAVORITE SUBJECT IS MATH. MY NAME IS RILEY JOHNSON, I GO TO INGLESIDE MIDDLE SCHOOL AND MY FAVORITE SUBJECT IS SCIENCE. MY NAME IS SCOTT MITCHEL, I GO TO CHRIST LUTHERAN SCHOOL MY FAVORITE SUBJECT IS LITERATURE. MY NAME IS LINDEN VANDERBICHEL, I GO TO CHRIST LUTHERAN SCHOOL AND MY FAVORITE SUBJECT IS ENGLISH. MY NAME IS DALLAS GREEN, I GO TO INGLESIDE MIDDLE SCHOOL AND MY FAVORITE SUBJECT IS MATH. MY NAMES IS KEVIN WOODED, I GOT TO ANLC ARCADIA NEIGHBORHOOD LEARNING CENTER AND MY FAVORITE SUBJECT IS MATH. MY NAME IS JAMISON LEELIILLIOS, I GO TO MADISON NUMBER 1 AND MY FAVORITE SUBJECT IS SCIENCE. MY NAME IS WILL MOODY, I GOT TO VERITAS MIDDLE SCHOOL AND MY FAVORITE SUBJECT IS MATH. I'M SAM ELLINGTON, I GO TO CHRIST LUTHERAN AND MY FAVORITE SUBJECT IS SCIENCE. I AM ALEXANDER GOSSETTE, I GO TO ANLC AND MY FAVORITE SUBJECT IS SCIENCE.

Troop Leader Dan Colton: 1934, WE JUST CELEBRATED OUR 170th EAGLE SCOUT FOR OUR TROOP.

Mayor Lane: CONGRATULATIONS. THANK YOU GENTLEMEN.

INVOCATION

[Time: 00:31:43]

Mayor Lane: FOR THIS EVENINGS INVOCATION WE HAVE THE DISTINCT PLEASURE OF WELCOMING FATHER PAT ROBINSON FROM THE CATHOLIC COMMUNITY OF THE BLESSED SACRAMENT, MY PASTOR.

[Time: 00:31:56]

Father Pat Robinson: LET US PRAY. GOD YOU ARE REVEALED YOUR GLORY TO ALL THE NATIONS AND ALL PEOPLE. GOD OF POWER AND MIGHT, WISDOM AND JUSTICE, THROUGH YOUR AUTHORITY IS RIGHTLY ADMINISTRATED, LAWS ENACTED AND JUDGMENT DECREED, ASSIST WITH YOUR SPIRIT OF COUNSEL AND FORTITUDE MAYOR JIM LANE THAT HIS ADMINISTRATION IS CONDUCTED IN RIGHTEOUSNESS AND BE IMMINENTLY USEFUL TO YOUR PEOPLE OVER WHOM HE PRESIDES. MAY HE ENCOURAGE DUE RESPECT FOR ALL. LET THE LIGHT OF YOUR DIVINE WISDOM DIRECT DELIBERATION OF THIS CITY COUNCIL. MAY THE MEMBERS BE ENTRUSTED WITH THE CARE OF THE SCOTTSDALE COMMUNITY, DISCHARGE THEIR DUTIES WITH HONESTY AND CONCERN FOR THE WELFARE OF ALL. AND LIKEWISE WE ASK YOU UNBOUNDED BLESSINGS UPON ALL THE CITIZEN OF THE SCOTTSDALE COMMUNITY, AND THAT THEY WILL RECEIVE YOUR SPIRIT OF OPENNESS AND WORK TOGETHER TO CONTINUE TO BUILD THIS GREAT COMMUNITY USING THE BLESSINGS THEY HAVE RECEIVED AND SHARING THE GIFTS THAT COME FROM YOU. MAYOR LANE WE ASK GODS BLESSING UPON YOU AND THANK YOU AND THE CITY COUNCILMEMBERS FOR YOUR SERVICE TO THE COMMUNITY OF SCOTTSDALE. MAY YOUR LEADERSHIP BE GUIDED BY THE HOLY SPIRIT AND YOUR LOVE OF THIS COMMUNITY CONTINUE TO SHOW FORTH IN YOUR SERVICE OF ITS CITIZEN, WE ASK ALL OF THIS IN GOD'S HOLY NAME, AMEN.

[Time: 00:33:50]

Mayor Lane: THANK YOU FATHER. A COUPLE OF ADDITIONAL NOTES, I'D LIKE TO TAKE A MOMENT TO MENTION THAT TONIGHT'S MEETING AND ALL COUNCIL MEETINGS HERE AFTER WILL BE CLOSED CAPTION, WE ARE COMMITTED TO PROVIDING BETTER ACCESS TO CITY GOVERNMENT FOR THOSE HEARING IMPAIRED AND THE CITY COUNCIL APPROVED THE FUNDING FOR THE SERVICE IN THE FY2012/13 BUDGET AND AFTER A FORMAL PROCUREMENT PROCESS CAPTION COLORADO WAS SELECTED AS THE SERVICE PROVIDER. THE CLOSED CAPTION WILL ALSO BE AVAILABLE ON THE ON-LINE STREAMING AND MEETING ARCHIVES. THE FUNDING BUDGETED FOR THIS SERVICE SUPPORTS ONLY THE CITY COUNCIL MEETINGS.

MAYOR AND COUNCIL WELCOME AND REMARKS

[Time: 00:34:30]

Mayor Lane: I'D LIKE TO GIVE THE NEWLY ELECTED COUNCILMEMBERS AN OPPORTUNITY TO SAY A FEW WORDS, A FURTHER INTRODUCTION AND THEIR FEELINGS GOING FORWARD. COUNCILWOMAN KORTE IF YOU WOULD LIKE TO BEGIN.

[Time: 00:34:47]

Councilmember Korte: THANK YOU MAYOR LANE. IT IS AN HONOR TO BE ELECTED TO REPRESENT THE CITIZENS OF SCOTTSDALE ON YOUR CITY COUNCIL. I'M SINCERELY HUMBLLED BY THE SUPPORT I RECEIVED FROM THE SCOTTSDALE VOTERS. RUNNING FOR OFFICE, CAMPAIGNING REQUIRES NOT ONLY SUPPORT OF VOTERS, MANY OF WHICH I DO NOT KNOW BUT REQUIRES MANY, MANY VOLUNTEERS WHO BELIEVED IN ME. THANK YOU MY KITCHEN CABINET, MY SIGNATURE GATHERS AND FELLOW TWEETERS FOR PASSING MY MESSAGE. I WISH SPECIFICALLY TO THANK DEBRA, MIKE, AND KEVIN FOR YOUR TIME AND EXPERTISE. I WISH TO THANK MY FAMILY, MANY OF WHOM ARE HERE TONIGHT. MOM YOU ARE THE BEST. THANK YOU FOR YOUR CONSTANT ENCOURAGEMENT AND

BEING AN IMPORTANT PILLAR OF STRENGTH FOR ME. YOU HAVE TAUGHT ME HOW TO SHOW UP FOR LIFE. TO THE REST OF THE FAMILY, RAY AND KAREN AND DAN AND CHRISTINE AND FRED WHO ARE NOT HERE AND ALL NIECES AND NEPHEWS, THANK YOU FOR YOUR REINFORCEMENT AND TO PAM WHO UNDERSTOOD THIS CAMPAIGN WAS GOING TO AND DID CONSUME MY LIFE FOR 11 MONTHS. MY MESSAGE IS THAT I BELIEVE COUNCILMEMBERS HAVE A RESPONSIBILITY TO BE RESPECTFUL TO CITIZENS, STAFF AND ONE ANOTHER, WE NEED TO CREATE A MORE CITIZEN FRIENDLY ENVIRONMENT AND THAT'S TO RESPECT EVERYONE'S OPINION AND LISTEN TO EVERYONE'S VOICE. I BELIEVE GOVERNMENT WORKS BEST WHEN PEOPLE WORK TOGETHER, TO BUILD CONSENSUS AND THAT MEANS START TO TREAT EVERYONE WITH RESPECT. THANK YOU AGAIN FOR THE HONOR AS SERVING AS YOUR CITY COUNCILMEMBER.

Mayor Lane: THANK YOU COUNCILWOMAN KORTE. BEFORE OUR NEXT NEW MEMBER, COUNCIL GUY PHILLIPS.

[Time: 00:37:11]

Councilmember Phillips: THANK YOU MAYOR. I DIDN'T PREPARE A SPEECH, I WASN'T PLANNING ON SPEAKING. I WANT TO THANK EVERYONE THAT HELPED WITH MY CAMPAIGN. WHEN I DECIDED TO RUN I WANTED TO MAKE A DIFFERENCE IN SCOTTSDALE. I FELT THE PEOPLE WERE NOT BEING REPRESENTED, I FEEL BY ME BEING ELECTED A LOT OF PEOPLE AGREED. I WILL STAND UP FOR THE RIGHTS OF THE CITIZENS OF SCOTTSDALE, THEIR PROPERTY RIGHTS, THE HUMAN RIGHTS AND THE QUALITY OF LIFE. I HAD A LOT OF PEOPLE HELP ME. THE ONE THING ABOUT RUNNING FOR OFFICE, YOU MEET SO MANY WONDERFUL PEOPLE AND SO MANY INTELLIGENT PEOPLE ANY ONE OF THEM COULD BE ON THE CITY COUNCIL. I'M HONORED AND BLESSED AND HUMBLD TO BE HERE. THANK YOU ONCE AGAIN FOR THAT. THE ONE PERSON I HAVE TO THANK FROM THE BOTTOM OF MY HEART, I DON'T WANT TO GET CHOKED UP, IT'S MY WIFE. SHE HAS BEEN SO FANTASTIC THROUGHOUT MY CAMPAIGN. SHE WORKED HARDER THAN I DO. SHE'S OUT THERE ALL THE TIME, SHE NEVER COMPLAINED. SHE SAID WHAT CAN I DO FOR YOU. I COULDN'T HAVE DONE IT WITHOUT HER. I REALLY APPRECIATE IT. I LOVE YOU SO MUCH. THANK YOU TO THE CITIZEN OF SCOTTSDALE. I LOOK FORWARD TO SERVING YOU, IF I SEEM TO GO ASTRAY, I HOPE YOU HOLD ME TO THE FIRE AND GIVE ME A CALL AND SAY WHAT'S GOING ON. I'LL BE GLAD TO HEAR FROM YOU. THANK YOU. .

Mayor Lane: THANK YOU COUNCILMAN PHILLIPS. NOW FOR OUR RETURNING COUNCILWOMAN, SUZANNE KLAPP.

[Time: 00:39:04]

Councilwoman Klapp: I'M PRIVILEGED TO BEGIN ANOTHER FOUR YEAR TERM ON THE COUNCIL, I'VE EARNED MY BACCALAUREATE DEGREE IN THE CITY OF SCOTTSDALE AND I'M WORKING ON MY MASTERS AND DOCTORATE. IT'S BEEN A MEMORABLE FOUR YEARS. IT'S OUR RESPONSIBILITY HERE TO BRING PEOPLE TOGETHER FOR THE COMMON GOOD. I'M THRILLED TO HAVE FAMILY AND FRIENDS HERE TO CELEBRATE FROM MY WORK ON THE COUNCIL AS WELL. MY PARENTS HAD ME WHEN THEY WERE RATHER OLD, I REALLY DON'T HAVE MUCH FAMILY LEFT. MOST HAVE PASSED ON. SAD TO SAY, I HAVE MY HUSBAND HERE, TIM, AND I APPRECIATE ALL THE HELP AND SUPPORT HE'S BEEN TO ME THROUGHOUT THE CAMPAIGN, WHICH WAS VERY GRUELING. I HAVE GOOD FRIENDS HERE WHO I DO CONSIDER FAMILY. THAT INCLUDES DONNA REAGAN WHO WAS MY CAMPAIGN CHAIRMAN AND HER

HUSBAND JUDGE MICHAEL REAGAN, AND THEIR SON-IN-LAW WHO'S THE HUSBAND OF SENATOR MICHELLE REAGAN, I BELIEVE THEY LEFT FOR AN EVENT FOR MICHELLE. I HAVE KYLE MOYER HERE WHO WAS A CONSULTANT ON MY CAMPAIGN. WE WORKED ON THE CAMPAIGN, THOSE OF YOU WHO RAN KNOW WHAT I MEAN, HOW GRUELING IT CAN BE. I WISH TO THANK ALL MY COUNCIL COLLEAGUES, WISH THEM WELL. I'M LOOKING FORWARD TO WORKING WITH EVERYONE HERE, AND FINALLY I'D LIKE TO THANK THE EMPLOYEES HERE AT THE CITY. IT'S A GREAT HONOR FOR ME TO WORK WITH EACH AND EVERY ONE OF THE PEOPLE THAT WORK'S FOR THE CITY OF SCOTTSDALE. I VERY MUCH APPRECIATE ALL THAT YOU DO TO SERVE THE CITIZEN HERE IN THIS CITY. IS NOT LOST ON ME THE WORK THAT YOU DO AND I BELIEVE THE CITIZEN OF SCOTTSDALE ARE APPRECIATIVE OF THE FACT WE TAKE OUR JOBS SERIOUSLY HERE, WE BELIEVE IN GOOD CUSTOMER SERVICE AND THE CITIZEN TAKE NOTE OF THAT AS WELL. WE ARE SEEN AS AN EXTREMELY CITIZEN FRIENDLY CITY. THANK YOU ALL FOR BEING HERE TODAY, APPRECIATE VERY MUCH YOU ALL COMING INCLUDING PEOPLE I PROBABLY DIDN'T MENTION THAT HELPED ME. I CAN'T THANK ALL OF YOU, THERE'S MANY IN THIS ROOM. THANK YOU AS A GROUP FOR EVERYTHING YOU DID FOR ME, AND I PROMISE I WILL SERVE YOU WELL AS A COUNCILWOMAN. THANK YOU.

[Time: 00:42:15]

Mayor Lane: THANK YOU. I HAVE ONE OTHER ITEM I TAKE GREAT PRIDE IN MENTIONING SOMETHING THAT'S DEVELOPED IN THE LAST COUPLE WEEKS THAT'S A GREAT BENEFIT TO THE CITIZEN OF SCOTTSDALE. I WANT TO THANK THE CITY MANAGER, THE CITY TREASURER AND THE CITY ATTORNEY AND THEIR STAFFS FOR ACCOMPLISHING SOMETHING GIVEN A NEW ENVIRONMENT IN CITY HALL WITH THE REFORMS WITHIN THE CHARTER AND ADMINISTRATIVELY. WE'VE BEEN ABLE TO MOVE THINGS IN A MORE OPEN AND ACCOUNTABLE DIRECTION. THEY PUT FORTH A MAJOR EFFORT TO RESTRUCTURE, REFINANCE AND RENEGOTIATE AND REDUCE THE LIABILITY AMOUNT UNDER AN OLD SUBSIDY AGREEMENT FROM NORDSTROM'S GARAGE THAT WILL SAVE THE CITY'S GENERAL FUND, OVER THE COURSE OF 15 YEARS, AN ESTIMATED \$30 MILLION IN THE REMAINING LIFE OF THE OBLIGATION. THIS TEAM HAS BEEN INSTRUMENTAL IN OTHER ITEMS THAT WE'VE BEEN ABLE TO REFINANCED TO THE TAXPAYERS BENEFIT AS WELL GOING DIRECTLY TO THE GENERAL FUND MILLIONS OF DOLLARS THROUGH REFINANCES AND RESTRUCTURES OF AGREEMENTS. AND SPECIFICALLY SOMETHING THAT DOES NOT AFFECT THE GENERAL FUND BUT DOES AFFECT THE CITIZENS; THEY WERE ABLE TO REWORK AGREEMENTS FOR WHAT WE CALL COMMUNITY FINANCIAL DISTRICTS. THEY SAVED THOSE GROUPS FIVE OF THEM; THEY SAVED \$4.5 MILLION DOLLARS. IT DOES NOT END THERE, THERE ARE THINGS THAT WILL BE DISCLOSED IN THE UPCOMING WEEKS THEY HAVE RE-WORKED AND SAVED SEVERAL ADDITIONAL MILLIONS OF DOLLARS. IT'S BEEN A PROUD EFFORT TO WORK ON BEHALF OF THE CITIZEN OF THIS GREAT CITY TO MAKE SURE THAT WE ARE BEING AS EFFECTIVE AND EFFICIENT AS POSSIBLE. THE WORK THEY PERFORMED, I KNOW THE CITY ATTORNEY IS HERE AND THE CITY MANAGER IS HERE, UNFORTUNATELY THE CITY TREASURER IS NOT HERE, BUT I THINK THEY DESERVE A ROUND OF APPLAUSE FOR WHAT THEY HAVE BEEN ABLE TO ACCOMPLISH. THANK YOU ALL.

SPEAKING OF THE CITY MANAGER. I UNDERSTAND THERE'S NO REPORT OR, IS THAT CORRECT.

[Time: 00:44:55]

Acting City Manager Dan Worth: MAYOR THAT'S CORRECT. BECAUSE I HAVE THE OPPORTUNITY I WILL POINT OUT THE TREASURER IS NOT HERE, THE CITY TREASURER'S FINANCE DIRECTOR WAS INSTRUMENTAL IN ALL THE ACCOMPLISHMENTS, SHE'S TO MY LEFT AND SHE GETS A LOT OF THE CREDIT AS WELL.

Mayor Lane: THANK YOU FOR THAT RECOGNITION. THANK YOU LEE.

PUBLIC COMMENT

[Time: 00:45:23]

Mayor Lane: THIS IS THE TIME FOR PUBLIC COMMENT RESERVED FOR CITIZEN COMMENTS FOR NON-AGENDIZED ITEMS WITH NO OFFICIAL COUNCIL ACTION TAKEN ON THESE ITEMS. SPEAKERS ARE LIMITED TO THREE MINUTES EACH, WITH A MAXIMUM OF FIVE SPEAKERS. THERE WILL BE TIME AT THE END TO ADDRESS THESE. WE HAVE FOUR CARDS. WE'LL START WITH MR. JOHN WASHINGTON.

[Time: 00:46:04]

John Washington: GOOD AFTERNOON, I'M JOHN WASHINGTON FROM THE PEACEFUL VALLEY NEIGHBORHOOD JUST DOWN THE STREET FROM THE KIVA. I WANT TO WISH ALL OF YOU AND ALL OF US A HAPPY AND PROSPEROUS NEW YEAR TO COME. A SPECIAL WELCOME TO NEW MEMBERS OF COUNCIL COUNCILMEMBER KORTE AND AND COUNCILMAN PHILLIPS. I LOOK FORWARD TO WORKING TOGETHER WITH ALL OF YOU ON THE ISSUES THAT FACE US IN THE YEAR TO COME. THERE ARE MANY IMPORTANT ISSUES, AMONG THEM THE GENERAL PLAN, SOMETHING THAT'S IMPORTANT TO ME AND MY NEIGHBORS, HOW DO WE PROTECT THE LEGACY AND SUSTAINABILITY OF SCOTTSDALE AS WE MOVE INTO THE FUTURE. ALSO, AMONG THESE ISSUES IS THE UPCOMING BUDGET PROCESS, WHAT DO WE REALLY NEED AND HOW DO WE PAY FOR THOSE NEEDS. ARE WE GOING TO BORROW MONEY TO DO THAT, IF SO, HOW MUCH? EMPLOYEE COMPENSATION, A PART OF THAT DISCUSSION IS EMPLOYEE MORALE. WE HAVE WORK TO DO IN THAT AREA. I THINK THOSE ARE NOT LABOR CONCESSIONS THEY ARE PRINCIPALS OF WORKFORCE MANAGEMENT AND GOOD BUSINESS PRACTICE. AS WE WORK ON THESE ISSUES I THINK IT'S IMPORTANT TO BE MINDFUL THAT THE CITIZEN OF SCOTTSDALE LIKE CIVILITY AND I AM GOING TO TRY TO EMBRACE THAT. I THINK IT IS IMPORTANT THAT WHAT WE WANT AND NEED IS HONESTY IN OUR DISCUSSIONS. I'LL CLOSE BY SAYING HAPPY NEW YEAR, WELCOME AND I LOOK FORWARD TO WORKING WITH YOU IN THE YEAR AHEAD.

Mayor Lane: THANK YOU MR. WASHINGTON. NEXT IS MIKE FERNANDEZ.

[Time: 00:48:26]

Mike Fernandez: FELIZ NAVIDAD. MY NAME IS MICHAEL FERNANDEZ, MY FAMILY AND I OWN POTTERY PARADISE AT 4348 NORTH SCOTTSDALE ROAD FOR OVER 60 YEARS. WHEN I LOOK AT THE POSSIBLE \$251 MILLION BOND TASK FORCE RECOMMENDATIONS FOR 2013 I SEE MOSTLY UNNECESSARY WASTE. THAT SHOULDN'T COME AS A SURPRISE TO ANYONE ESPECIALLY SINCE THE LEADER OF THE TASK FORCE IS NON-OTHER THAN OUR OLD TAX AND SPEND LIBERAL WAYNE ECTON WHO WAS RECENTLY TOSSED OFF THE CITY COUNCIL BY THE VOTERS, I'M NOT HERE TO TALK ABOUT WAYNE. WHAT HAS MY CURIOSITY IS HOW COUNCILWOMAN KORTE WILL HANDLE THIS WISH LIST.

WHY AM I SO CONCERNED ABOUT COUNCILMEMBER KORTE, YOU SEE AFTER ALL THE FACTS WERE GATHER ABOUT LIGHT RAIL SHE CHOSE TO IGNORE THE FACTS AND DISMISS THE RECOMMENDATIONS OF THE EXPERTS AND TOSS ASIDE THE DESIRE OF CITIZEN NOT TO HAVE RAIL ANYWHERE IN SCOTTSDALE. TO THIS DAY SHE'S PUSHING FOR RAIL IN SCOTTSDALE EVEN THOUGH IT WOULD BREAK THE BANK AND BURDEN US WITH UNSUSTAINABLE SUBSIDIES FOR THE REST OF OUR LIVES, IT WOULD ALSO GUARANTEE THE LOSS OF SMALL BUSINESS, YEARS OF CONSTRUCTION AND TRAFFIC CONGESTION AND MORE CRIME AND UPHEAVAL WILL FOLLOW FOR SCOTTSDALE RESIDENTS IN THE BUSINESS COMMUNITY. WHAT DOES KORTE STAND TO LOSE OR GAIN WITH RAIL? LOOK AT THE PROPERTY SHE OWNS AT THE CORNER OF MCDOWELL AND SCOTTSDALE ROAD. IS THIS ABOUT WHAT IS BEST FOR THE CITIZEN OR VIRGINIA? A RAIL DEAL SO GOOD THAT SHE COULD HANG HER HAT ON IT, TIME WILL TELL. FOR THE REST OF THE COUNCILMEMBERS GET YOUR HEAD OUT OF THE SAME AND FACE REALITY THERE'S NO MONEY FOR ANYTHING OTHER THAN THE BASICS. EVEN A THIRD GRADER WOULD REALIZE WHEN YOU FIND YOURSELF IN A HOLE YOU STOP DIGGING. I SUGGEST THE COUNCIL SPEND THE NEXT YEAR OR TWO FIGURING OUT HOW TO CUT CORNERS AND PRESERVE OUR ENHANCED LIFESTYLE. LET'S HAVE THE BEST INTEREST OF THE CITIZEN AT HEART AND UNDERSTAND THE NEED FOR FISCAL RESPONSIBILITY. AS PRESIDENT OF THE BROWN STETSON MERCHANTS ASSOCIATION I WOULD LIKE TO THANK THE PAST COUNCIL FOR CHASING THE FIESTA BOWL TO THE TALKING STICK COMPLEX IN DOWNTOWN PHOENIX. THE SELF PROCLAIMED PLANNERS AND THE CHAMBER BACKED COUNCILMEMBER DECIDED ANOTHER APARTMENT BUILDING AT THE WATERFRONT WOULD DO MORE TO PROMOTE AND ENHANCE THE TOURISM INDUSTRY ON FIFTH AVENUE, OLD TOWN, AND MAIN STREET GALLERIES. WHO CARES IF ESPN MADE THIS AREA FAMOUS WORLDWIDE WITH THE TELEVISED SPORTS COMMENTARY PROGRAM, COLLEGE BCS CHAMPIONSHIPS AND THE SUPER BOWL? I'M SURE THE NEXT PATRONS WILL BE HAPPY WITH THEIR NEW DIGS IN 2015. DID I FORGET THE NATIONAL COLLEGE CHAMPIONSHIP, HEY, IT'S ONLY MONEY. YOU PROFESS TO SUPPORT THE TOURISM AND SMALL BUSINESSES THAT BUILT SCOTTSDALE. WE WON'T NEED MONEY, ONLY SECTION EIGHT TENANTS FOR ITS APARTMENTS. BOB AND GUY I FEEL FOR YOU, YOU HAVE YOUR HANDS FULL WITH THIS MOTLEY CREW.

Mayor Lane: THANK YOU MR. FERNANDEZ. NEXT IS TAMMY ROWLAND.

[Time: 00:51:56]

Tammy Rowland: HELLO, HAPPY NEW YEAR TO EVERYBODY AND CONGRATULATIONS VIRGINIA, I'VE BEEN A STRONG ADMIRER OF YOURS FOR YEARS. THERE'S AN ISSUE WITH THE CITY OF PHOENIX WHERE THEY WILL CLOSE DOWN ECHO CANYON PARK, THEY ARE SCHEDULE TO CLOSE IT ON THE 28TH OF JANUARY, WHICH IS GREAT THEY WILL DOING SOME MUCH NEEDED RENOVATIONS TO THE TRAIL REROUTES AND ADDITIONAL PARKING. THEY MADE THE DECISION TO KEEP CHOLLA TRAIL OPEN, THIS POSES A PROBLEM TO THE RESIDENTS OF SCOTTSDALE IMMEDIATELY SOUTH AND EAST OF CHOLLA TRAIL, WHAT WILL OCCUR IS THE CHAOS AND CONGESTION THAT IS AFFECTING THE AREA IMMEDIATE TO ECHO CANYON WILL BE DIRECTED TO CHOLLA TRAIL HEAD, 64TH STREET AND INDIAN SCHOOL, EXCUSE ME, 64TH STREET AND CAMELBACK, SOUTH AND EAST AND SOUTH AND EAST OF CHAPARRAL AND 64TH STREET. WE'RE ASKING FOR INTERCITY INTERVENTION OR IF ONE OF THE MEMBERS OF THE COUNCIL CAN CONTACT THE CITY OF PHOENIX. THEY ARE SCHEDULED FOR THEIR CITY COUNCIL MEETING ON THE 28TH OF JANUARY, WE REQUEST THAT YOU ADVOCATE FOR THE CITIZEN OF THIS AREA, MYSELF INCLUDED, TO EITHER CLOSE CHOLLA TRAIL CONCURRENTLY WITH THE ECHO CLOSURE THROUGH EASTER WHICH IS MARCH 31ST. THIS IS PRIMARY TOURIST SEASON FROM THANKSGIVING

TO EASTER THIS IS WHEN WE HAVE THE MOST TRAFFIC ON THE MOUNTAIN. THIS WILL ALLEVIATE TRAFFIC CONGESTION, SPEEDERS, AND RANDOM CARS PARKING UP AND DOWN OUR STREETS AND LITTER AND NOISE AND THINGS OF THAT NATURE. THAT'S ALL. THANK YOU.

Mayor Lane: THANK YOU MISS ROWLAND. NEXT, AND THE LAST PUBLIC COMMENT CARD, MR. MARK STUART.

[Time: 00:54:23]

Mark Stuart: MY FELLOW REPUBLICANS, WELCOME TO 2013. IT'S A NEW YEAR AND IT'S TIME FOR A NEW START. THE LETTER THAT I SENT TO THE COUNCIL ON DECEMBER 3 WAS TOO HARSH, TOO ACCUSATORY AND INAPPROPRIATE AND I BEG YOUR FORGIVENESS. I WAS SUFFERING TEMPORARY INSANITY DUE ON THE KNEE PAIN AND THE ASSOCIATED PHARMACEUTICALS YOU TAKE TO DEAL WITH KNEE PAIN. I HOPE YOU WILL FORGIVE ME AND I HOPE WE CAN MOVE FORWARD AND START AN HONEST DIALOGUE ABOUT SUBSIDIES AND HOW SUBSIDIES ARE IMPLEMENTED IN THE CITY OF SCOTTSDALE. WHEN I WROTE MY LETTER I WAS LABORING UNDER FALSE ASSUMPTIONS. I DIDN'T UNDERSTAND THAT THE CITY COUNCIL AND CITY STAFF HAVE HAD NO FORMAL TRAINING OR EDUCATION IN THE GIFT CLAUSE AND HOW IT SHOULD BE APPLIED TO LEASES OR CONTRACTS OR ANY OTHER TRANSACTIONS IN THE CITY. I HAD ASSUMED YOU KNEW THESE THINGS AND YOU WERE IGNORING IT. I'M HERE TODAY REALLY TO SORT OF GIVE YOU SOME INSIGHT INTO MY RESEARCH ON GIFT CLAUSE VIOLATIONS AND ON CHALLENGES TO CITY OR STATE CONTRACTS. AND I'VE SUMMARIZED THE LEGAL ARGUMENTS THAT WILL BE MADE AGAINST THE CITY HERE IN THIS DOCUMENT.

I WANT TO PUT THIS IN THE RECORD AND I HOPE THAT SOMEBODY IN THE CITY WILL RESPOND FORMALLY TO IT. I'VE EXCHANGED E-MAILS WITH THE CITY ATTORNEY AND HE'S BEEN POLITE AND GRACIOUS BUT NOT PARTICULARLY COMMUNICATIVE. SO WHAT I'M LOOKING FOR ARE REBUTTALS. IF YOU THINK I'M WRONG, WHY AM I WRONG? IF I MISINTERPRETED THE SUPREME COURT DECISION, CAN YOU PLEASE EXPLAIN WHY. IF WE CAN'T DO THAT WE WILL PROCEED TO LITIGATION IN THE FIRST WEEK IN FEBRUARY OR SO. THAT WILL BE EMBARRASSING AND TRAUMATIC FOR EVERYBODY INVOLVED. I MYSELF WAS SURPRISED TO LEARN THAT THE TPC COST THE CITY MORE THAN \$27 MILLION SINCE 1985. I ASK THAT QUESTION DIRECTLY OF THE CITY TREASURER AND OTHERS AND GOT ALL TYPES OF ANSWERS BUT NOT THAT ANSWER EVEN THOUGH THERE WAS A REPORT THAT INDICATED THAT AND IT SEEMED TO BE COMMON KNOWLEDGE AMONG SOME TEAM. I HOPE YOU WILL ACCEPT MY APOLOGY, I HOPE WE CAN START OFF ON A NEW FOOTING AND I HOPE THAT YOU WILL MAKE AN ATTEMPT TO ADDRESS AND REBUT THE ARGUMENTS I MAKE HERE. I THINK THAT'S IN THE BEST INTEREST OF SCOTTSDALE AND THE BEST INTEREST OF EVERYBODY. THANK YOU FOR YOUR TIME.

Mayor Lane: THANK YOU MR. STUART.

MINUTES

[Time: 00:57:45]

Mayor Lane: THE NEXT ITEM OF BUSINESS IS THE APPROVAL OF MINUTES. DO I HAVE A MOTION?

Vice Mayor Robbins: I'LL MOVE FOR APPROVAL OF THOSE MINUTES.

Councilwoman Milhaven: SECOND.

Mayor Lane: MOVED AND SECONDED, THERE ARE NO COMMENTS. I THINK WE'RE READY TO VOTE. ALL IN FAVOR. THE MINUTES HAVE BEEN APPROVED UNANIMOUSLY.

CONSENT ITEMS

[Time: 00:58:21]

Mayor Lane: WE'LL MOVE TO OUR CONSENT ITEMS 1 THROUGH 17A. I HAVE NO CARDS ON THOSE ITEMS. I DON'T SEE COMMENTS FROM MY COUNCILMEMBERS HERE. DO I HAVE A MOTION TO APPROVE OR ACCEPT CONSENT ITEMS 1 THROUGH 17A?

Vice Mayor Robbins: I MOVE WE APPROVE THOSE ITEMS 1 THROUGH 17A.

Councilwoman Klapp: SECOND.

Mayor Lane: I THINK WE'RE READY TO VOTE. ALL IN FAVOR OF THE CONSENT ITEMS. INDICATE BY AYE. CONSENT ITEMS PASSED UNANIMOUSLY.

REGULAR AGENDA ITEMS

[Time: 00:59:08]

Mayor Lane: IF YOU ARE HERE FOR THE CONSENT ITEMS YOU CAN STAY FOR THE REST OR LEAVE QUIETLY.

ITEM 17B – COMMUNITY SERVICES OF ARIZONA SETTLEMENT

[Time: 00:59:44]

Community Services Executive Director Bill Murphy: GOOD EVENING MAYOR, MEMBERS OF THE COUNCIL. TONIGHT FOR CONSIDERATION WE HAVE FOR ADOPTION RESOLUTION 9305 A PROPERTY SETTLEMENT WITH COMMUNITY SERVICES OF ARIZONA. IT WOULD AUTHORIZE THE MAYOR TO EXECUTE THE FOLLOWING CONTRACT FOR THE PURPOSE OF A SETTLEMENT WITH COMMUNITY SERVICE OF ARIZONA ALLOWING IT TO TRANSFER EIGHT MULTI-FAMILY PROPERTIES FUNDED WITH FEDERAL HOME INVESTMENT HOME FUNDS TO THE QUANTUM REALTY PARTNERS LLC OR ITS AFFILIATED ENTITIES, DESIGNEES OR NOMINEES IN PROVIDING FOR THE LIMITATION ARISING FROM THE USE OF THE HOME FUNDS TO REMAIN IN PLACE FOR THE REQUESTED PERIOD OF TIME. THE FEDERAL HOME INVESTMENT PARTNERSHIP HOME FUNDS ARE PROVIDED BY THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ON AN ANNUAL BASIS. THEY ARE AVAILABLE TO THE CITY AS A RESULT OF THE CITY'S PARTICIPATION IN THE MARICOPA COUNTY HOME CONSORTIUM WHICH INCLUDES TEMPE, AVONDALE, CHANDLER, GILBERT, PEORIA, AND GLENDALE. THE CITY HAS BEEN

ACTIVELY PARTICIPATING AND ADMINISTRATING A WIDE RANGE OF ACTIVITIES TO PROVIDE AFFORDABLE HOUSING IN OUR COMMUNITY FOR THE PAST 18 YEARS.

THE HOME PROGRAM IS REGULATED BY HUD (HOUSING AND URBAN DEVELOPMENT) AND ADMINSTRATED THROUGH THE MARICOPA COUNTY HOME CONSORTIUM. IT REQUIRED AFFORDABLE HOUSES FOR LOW INCOME FAMILIES FOR A SET PERIOD OF AFFORDABILITY. IT MANDATES ELIGIBILITY REQUIREMENTS FOR TENANTS AND SETS A RENT AMOUNT DURING THE AFFORDABILITY PERIOD. COMMUNITY SERVICES OF ARIZONA IS A NONPROFIT ORGANIZATION THAT RECEIVED FUNDS FROM 1996 THROUGH 2006 WITH HOME FUNDS, CONSORTIUM FUNDING AND CITY FUNDS FOR ACQUISITION, REHABILITATION AND RENTAL OF EIGHT MULTIFAMILY PROPERTIES TO PROVIDE HOUSING FOR LOW AND MODERATE INCOME FAMILIES. CURRENTLY, COMMUNITY SERVICES OF ARIZONA HAS EIGHT OF THESE LOW INCOME RENTAL PROPERTIES, 86 UNITS, 66 ARE AFFORDABLE WITH HOME INVESTMENT OF OVER \$4 MILLION AND GENERAL FUND OBLIGATIONS OF 4 MILLION. IT HAS REQUESTED THE AUTHORIZATION TO SELL ALL EIGHT MULTIFAMILY PROPERTIES AS ONE PORTFOLIO TO QUANTUM REALTY, HOLIDAY PARTNERS FOR \$1.6 MILLION. IT IS OUR UNDERSTANDING THE SALE OF THOSE PROCEEDS WILL PAY OPERATING EXPENSES. THE PROPERTY SETTLEMENT, THE NEW BUYER WILL BE RESPONSIBLE TO OPERATE THE PROPERTIES FOLLOWING THE FEDERAL HUD REGULATIONS AS AFFORDABLE RENTAL UNIT THROUGH REMAINING AFFORDABILITY PERIODS WITH EACH PARCEL. THE PROPERTIES WITHIN THIS PORTFOLIO WILL BE SUBJECT TO COMPLIANCE MONITORING BY THE CITY OF SCOTTSDALE STAFF.

CURRENTLY THE CITY IS IN FIRST DEED POSITION ON FIVE OF THE EIGHT PROPERTIES IN THIS PORTFOLIO. IN THE SETTLEMENT THE CITY WILL SUBORDINATE THE FIRST DEED POSITION FOR RESTRICTIVE COVENANT FOR HOME LOAN PROCEEDS THAT WILL REMAIN IN FIRST POSITION ON ALL EIGHT PROPERTIES ON THIS PORTFOLIO. THIS MAP GIVES YOU AN IDEA OF THE PROPERTIES AND WHERE THEY ARE LOCATED AND THE UPPER PORTION OF THE SCREEN IS ROYAL PALM, NORTH OF CAMEL-BACK, EAST OF SCOTTSDALE ROAD. THE SHALIMAR SANDS EAST OF 68TH STREET, NORTH OF OSBORN ROAD AND THE OTHER SIX UNITS ARE WEST OF 68TH STREET, SOUTH OF OSBORN. HERE'S A LIST OF THE PROPERTY DESCRIPTION BY NAME, THE PROPERTY ADDRESSES, THE AFFORDABLE UNITS, THE PUBLIC INVESTMENT AND THE EXPIRATION. THE AFFORDABILITY WILL END IN JUNE 2013 WITH 66TH PLACE EXTENDING TO JULY 2027.

THE COMMUNITY ASSISTANCE OFFICE, OUR CITY'S LEGAL STAFF IN COLLABORATION ARE OUTSIDE LEGAL COUNCIL HAS WORKED WITH COMMUNITY SERVICES OF ARIZONA AND THEIR BUYER TO ESTABLISH AGREEMENTS TO PRESERVE THE AFFORDABILITY PERIODS. TO PROTECT THE CITY'S HOME INVESTMENT FUNDS OF \$4 MILLION WHILE ALLOWING THE COMMUNITY SERVES OF ARIZONA TO SELL THESE EIGHT PROPERTIES TO A NEW BUYER. THE CITY'S MAIN GOAL IN THIS TRANSACTION HAS BEEN TO PROTECT THE CITY'S FINANCIAL INTEREST AND AVOID REPAYMENT TO HUD ON ANY OF THE INITIAL INVESTMENTS AND TO CONTINUE TO MAINTAIN A POSITIVE WORKING RELATIONSHIP WITH HUD AS WELL AS ADHERING TO THE FEDERAL HOME REGULATIONS ORGANIZATION, PRESERVING AFFORDABILITY PERIODS FOR ALL EIGHT PROPERTIES WITHIN THIS PORTFOLIO WHILE PROVIDING AFFORDABLE HOUSING TO SCOTTSDALE CITIZENS. IN YOUR PACKETS ARE AGREEMENTS, THE AGREEMENT DOCUMENTS ARE WE HAVE A SIGNED RELEASE AGREEMENT WITH THE CITY AND COMMUNITY SERVICES OF ARIZONA. NEXT WE HAVE A BUYERS AGREEMENT WITH THE CITY OF SCOTTSDALE AND HOLIDAY PARTNERS LLC. WE HAVE A LOAN RESTRUCTURING AGREEMENT BETWEEN

THE CITY OF SCOTTSDALE AND THE BUYERS CONTAINING ONE AGREEMENT THAT COVERS ALL OF THE PROPERTIES.

THE LOAN RESTRUCTURING AGREEMENT BETWEEN THE CITY AND THE BUYER PROVIDES ADDITIONAL REMEDIES FOR THE CITY, INCLUDING MONETARY ENFORCEMENT BREACHES OF THE LURES AND REMEDIES FOR BREACHES BY THE BUYER FOR ANY OF THE OBLIGATIONS UNDER THE VARIOUS AGREEMENTS. THIS INCLUDES PROVIDING FOR THE CITY WITH THE SECURITY INTEREST IN THE OWNERSHIP OF THE SINGLE PURPOSE ENTITIES THAT ARE FORMED BY THE BUYERS TO OWN THE PROPERTIES WITHIN THE PORTFOLIO. THE DECLARATION OF A PERMANENT LAND USE RESTRICTIVE COVENANT THE LURES POSITION ON ALL EIGHT PROPERTIES THAT WILL RUN WITH THE LAND AND RECORDED WITH EACH OF THE PROPERTIES. THE DECLARATION OF THE LAND USE AGREEMENT WILL CONTAIN RESTRICTIVE COVENANTS THAT WILL RUN WITH THE LAND AND BE RECORDED WITH EACH OF THE PARCELS.

THE AGREEMENTS WILL ADHERE TO THE HOME REGULATIONS, PRESERVE THE AFFORDABILITY PERIODS, THE PROVISIONS FOR THE CITY TO ENFORCE AFFORDABILITY REQUIREMENTS TO MAINTAIN THE CITY TO ALLOW LOW INCOME HOUSING IN SCOTTSDALE AND ALLOWING HOME REGULATIONS TO AVOID REPAYMENT OF THE HOME FUNDS BACK TO HUD. MAYOR, MEMBERS OF THE CITY COUNCIL, THE STAFF RECOMMENDS THE ADOPTION OF RESOLUTION 9305 AUTHORIZING THE MAYOR EXECUTE THIS CONTRACT FOR THE PURPOSE OF A SETTLEMENT WITH COMMUNITY SERVICES OF ARIZONA. ALLOWING IT TO TRANSFER EIGHT MULTI-FAMILY PROPERTIES FUNDED WITH THE FEDERAL HOME INVESTMENT PARTNERSHIP HOME FUNDS TO THE BUYER AND PROVIDING FOR THE LIMITATIONS ARISING FROM THE USE OF THOSE HOME FUNDS TO REMAIN IN PLACE DURING THE PERIOD OF TIME IN THE AFFORDABILITY PERIOD. THAT CONCLUDES MY REPORT.

[Time: 01:08:25]

Mayor Lane: THANK YOU BILL. I KNOW THAT EVERYONE ON COUNCIL IS AWARE OF THE EXTENT OF TIME AND EFFORT PUT IN THIS PROCESS. I WANT TO THANK THE CITY MANAGERS OFFICE AND YOUR OFFICE BILL AND THE LEGAL TEAM WITH WHAT THEY HAVE BEEN ABLE TO ACCOMPLISH. IT WAS A GOOD PRESENTATION THE EXTENT OF LIABILITY THAT'S BEEN ELIMINATED BY THE WORK THAT'S DONE WITH THE AFFIRMATIVE USE OF THE LAND RESTRICTIONS TAKES US OUT OF THE PROSPECT OF BEING LIABLE FOR THE HOME FUNDS TO THE TUNE OF OVER \$4 MILLION. IT'S A PROCESS. I THINK THEY DID A VERY, VERY PROFESSIONAL JOB OF MAINTAINING CIRCUMSTANCES IN AN ECONOMIC CONDITION THAT WAS TROUBLING FOR EVERYONE, EXTREME IN THE KIND OF THING IT CAUSED TO OCCUR WITH CSA AND THE USE OF THE FEDERAL FUNDS. WITH THAT I CERTAINLY IN AGREEMENT WITH THE RESOLUTION AND AGAIN, I WANT TO SAY I APPRECIATE THE WORK YOU'VE DONE.

Mayor Lane: MOTION TO APPROVE HAS BEEN MOVED AND SECONDED. NO FURTHER COMMENTS AND QUESTIONS INDICATED. ALL IN FAVOR PLEASE REGISTER YOUR VOTE. RESOLUTION PASSED UNANIMOUSLY. THANK YOU BILL.

Bill Murphy: THANK YOU MAYOR.

Mayor Lane: OUR FINAL ITEM, I'M SORRY, THAT'S NOT EXACTLY OUR FINAL ITEM. I WAS THINKING IT ENDED AT THE BOTTOM OF THE PAGE IS OUR FEDERAL LEGISLATIVE AGENDA. MR. BRAD LUNDAHL.

ITEM 18 – 2013 FEDERAL LEGISLATIVE AGENDA

[Time: 01:10:33]

Government Relations Director Brad Lundahl: GOOD EVENING MAYOR, MEMBERS OF THE COUNCIL, I'M HERE TO GO THROUGH OUR FEDERAL LEGISLATIVE AGENDA, IF YOU REMEMBER I WAS HERE A COUPLE WEEKS AGO AND WENT THROUGH THE STATE AGENDA. TONIGHT IT'S TIME TO DO THE FEDERAL AGENDA. LIKE THE STATE AGENDA IT IS DEVELOPED WITH INPUT FROM THE DEPARTMENT HEADS, MEMBERS OF COUNCIL, I MEET WITH FOLKS TO DETERMINE WHAT THE NEEDS OF THE CITY ARE AT THE FEDERAL LEVEL.

YOU WILL SEE THIS YEAR THAT THE LEGISLATIVE AGENDA IS LEANER THAN IN THE PAST. A COUPLE REASONS FOR THAT, WE HAVE A NEW CONGRESS, A LOT OF UNKNOWNNS GOING FORWARD. WE'RE WORKING OUT OUR FISCAL ISSUES AND WORKING ON OUR ECONOMIC ISSUES. UNTIL WE KNOW MORE I THOUGHT IT WOULD BE BEST TO KEEP OUR AGENDA LEAN AND AS ISSUES ARISE I'LL COME BACK BEFORE COUNCIL AND GET FURTHER DIRECTION. BUT THIS IS OUR STARTING POINT. LET ME START WITH HOUSEKEEPING MEASURES, JUST A BRIEF REMINDER FOR EVERYONE OF WHO OUR CONGRESSIONAL DELEGATION IS. PROBABLY DON'T NEED A LOT OF INTRODUCTION FOR SENATOR MCCAIN. WE HAVE A NEW SENATOR, JEFF FLAKE AND CONGRESSMAN DAVID SCHWEIKERT IS IN HIS SECOND TERM IN ALL OF SCOTTSDALE NORTH OF THOMAS ROAD, AND KYRSTEN SINEMA, A FORMER SENATOR AND WAS ELECTED TO THE DISTRICT NINE. HER DISTRICT INCLUDED PARTS OF PHOENIX, MESA, CHANDLER, TEMPE AND ALL OF SCOTTSDALE SOUTH OF THOMAS ROAD.

SO I'LL START ON THE HUMAN SERVICES REQUEST FOR THIS YEAR. FIRST GLANCE YOU WILL NOTICE WE'RE NOT ASKING FOR ADDITIONAL REVENUES WE'RE ASKING TO HOLD THE LINE ON SOME OF THESE ITEMS. AS WE GO THROUGH THIS BEAR THAT IN MIND. THE FIRST UP IS THE CONTINUED FUNDING FOR CDBG (COMMUNITY DEVELOPMENT BLOCK GRANT), THE BLOCK GRANT PROGRAM. THESE FUNDS ARE USED FOR HOUSING REHABILITATION, MEALS FOR THE ELDERLY, DOMESTIC VIOLENCE SHELTERS AND TRAINING FOR THE DISABLED. LAST YEAR THE CITY OF SCOTTSDALE RECEIVED \$942,000. THE FUNDS HAVE BEEN BENEFICIAL TO THE CITY. NEXT UP IS THE SUPPORT, THE CONTINUED VIABILITY OF THE SECTION EIGHT HOUSING CHOICE VOUCHER PROGRAM. LAST YEAR THE CITY RECEIVED \$5.6 MILLION AND THIS PROVIDED HOUSING ASSISTANCE TO 735 LOW-INCOME FAMILIES.

NEXT UP IS THE CONTINUED FUNDING OF LIHEAP (LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM). IF YOU ARE WONDERING LIHEAP IS THE LOW INCOME HEATING AND ENERGY ASSISTANCE PROGRAM. THIS HELPS ASSIST PEOPLE IN PAYING THEIR ENERGY BILLS, FOR THOSE OF US IN ARIZONA THIS WOULD BE AIR-CONDITIONING RATHER THAN HEATING. IN ADDITION WE'RE ASKING FOR A CHANGE IN THE FORMULA SO THAT THE FORMULA RECOGNIZES THE AIR-CONDITIONING DEMANDS FOR OUR SUMMER HEAT. SENATOR KYL WAS AN ADVOCATE BUT HE'S GONE INTO RETIREMENT, WE HOPE OUR CONGRESSIONAL DELEGATION WILL CARRY THAT FORWARD. IN ADDITION WE'RE ASKING CONTINUED FUNDING FOR THE CSBG THE COMMUNITY SERVICES BLOCK GRANTS. THESE FUNDS GO TO OUR DESIGNATED COMMUNITY ACTION PROGRAM, WHICH VISTA DEL CAMINO IS ONE OF THESE PROGRAMS PROVIDING FOOD, JOB TRAINING AND FINANCIAL EDUCATION AND THINGS OF THAT NATURE. SUPPORT THE WEATHERIZATION ASSISTANCE. WE'VE RECEIVED FUNDING IN THE PAST

THAT'S BEEN USED TO WEATHERIZE SOME OF THE HOMES THAT ARE IN NEED OF ASSISTANCE TO MAKE THEM MORE ENERGY EFFICIENT WITH THE GOAL OF CUTTING DOWN ON THE LIHEAP MONEY WE MIGHT NEED IF THE HOMES ARE MORE ENERGY EFFICIENT.

NEXT WE WILL MOVE INTO INFORMATION TECHNOLOGY AND FEEL FREE TO STOP ME IF YOU HAVE QUESTIONS.

[Time: 01:15:35]

Mayor Lane: EXCUSE ME BRAD. COULD YOU BACK UP A SLIDE? THE SUPPORT ON THE WEATHERIZATION ASSISTANCE PROGRAM, WE'RE REINVIGORATING AND EXPANDING UPON OUR OPERATION FIX-IT PROGRAM FOR LOW INCOME HOUSING AND FOLKS IN NEED. I WONDER IF THERE'S A WAY TO INCORPORATE IN PART OF OUR ASSISTANCE THROUGH VOLUNTEERS AND COMMUNITY EFFORTS SOME ELEMENT OF THIS AS FAR AS THE SAME GROUP OF PEOPLE. AND MAYBE EXTEND THE DOLLARS A BIT FURTHER IN THAT CATEGORY, SOMETHING WE CAN LOOK INTO.

Brad Lundahl: I WOULD BE HAPPY TO LOOK INTO THAT.

[Time: 01:16:27]

Vice Mayor Robbins: THIS COMMENT APPLIES TO EVERYTHING WE DO THAT INVOLVES RECEIVING MONEY FROM THE FEDERAL GOVERNMENT, THE FEDERAL GOVERNMENT IS HAVING TROUBLE PAYING ITS BILLS AND WERE BORROWING MONEY, IT SEEMS FUNNY ASKING THE FEDERAL GOVERNMENT FOR MORE MONEY THAT IT CAN'T AFFORD TO PAY, HOW MUCH OF THAT SITUATION OR SCENARIO IS BUILT INTO THIS REQUEST. ARE WE ASKING FOR THE SAME OR LESS? I UNDERSTAND THAT PROPORTIONATELY WE WANT TO RECEIVE OUR SHARE; IT FEELS KIND OF STRANGE TO ASK MONEY FROM A GOVERNMENT THAT DOESN'T HAVE MUCH. I'M WONDERING IF THAT PLAYS INTO THIS OR AFFECTS THE FUNDS WE RECEIVE FROM THE FEDERAL GOVERNMENT.

Brad Lundahl: THAT'S A GREAT QUESTION, WE TOOK THAT INTO CONSIDERATION, WE'RE NOT ASKING FOR ANY ADDITIONAL, WE'RE HOPING TO TOW THE LINE OR AT A MINIMUM THAT THE PROGRAMS ARE NOT ELIMINATED ALTOGETHER. WE DON'T KNOW WHERE CUTS ARE GOING TO BE MADE. WE WANTED TO RECOGNIZE THE PROGRAMS AS IMPORTANT TO SCOTTSDALE.

Vice Mayor Robbins: THE STATE AND THE CITIES HAVE CUT THEIR BUDGETS, WE'VE HAD TO MANDATE AND IT'S THE RIGHT THING TO DO. HAVE ANY OF THE PROGRAMS BEEN CUT OVER THE LAST THREE, FOUR YEARS AS THE ECONOMY TANKED WHEN THE REST OF US HAVE BEEN CUTTING HAVE THESE FUNDS BEEN CUT?

Brad Lundahl: TO MY KNOWLEDGE OVER THE LAST FOUR YEARS THERE HAVE BEEN CUTS IN SEVERAL OF THESE PROGRAMS. WHAT THE AMOUNTS ARE I WOULD HAVE TO GET BACK TO YOU. FROM PREVIOUS PRESENTATIONS I HAVE NOTICED THE AMOUNTS HAVE DROPPED. WE'VE HEARD, AGAIN THIS IS A CONTINUATION FROM LAST YEAR THAT THERE ARE EFFORTS AT THE CONGRESSIONAL LEVEL TO GAIN ACCESS TO THE MUNICIPAL RIGHTS-OF-WAY AT A REDUCED PRICE OR FOR FREE FOR ENTITIES USING THE RIGHTS-OF-WAY. THIS WOULD BE A TREMENDOUS LOSS IN THE REVENUES THAT WE DO RECEIVE FROM USES IN THE RIGHTS-OF-WAY. OUR HOPE IS TO OPPOSE THESE EFFORTS THAT THOSE

THAT WANT TO USE THE RIGHT-OF-WAY WOULD HAVE TO PAY THE FAIR MARKET PRICE FOR THE USES. THAT'S WHAT THIS BULLET SAYS.

Vice Mayor Robbins: WE HAVE AN ISSUE SIMILAR TO THIS, I DON'T KNOW IF YOU ARE AWARE, I THINK IT'S WITH SRP (SALT RIVER PROJECT) AND THE ROADWORK, THE INTERIM CITY MANAGER IS AWARE ON THOMAS ROAD, WE HAVE EASEMENT ISSUES, SRP SAYS THEIR EASEMENTS ARE PRE-EMINENT. THEY SAY THEIRS ARE OLDER THAN OURS AND WE SAY NO IT'S NOT. THEY ARE TOLD BY BOR (BUREAU OF RECLAMATION) ANYWHERE THEY CAN THEY HAVE TO ASSERT THEIR RIGHTS TO THEIR RIGHT-OF-WAY EASEMENT AND GET IT IN WRITING AND THE CITY IS TRYING TO PRESERVE OUR ROADWAY'S. EASEMENT AND GET THEM TO LIGHTEN UP FROM THE BOR RECOMMENDATIONS OR REQUIREMENTS WITH SRP. THERE'S ISSUES WE'RE AT LOGGERHEADS AND WE CAN'T DO CITY IMPROVEMENT PROJECTS BECAUSE WE CAN'T COME TO AGREEMENTS ON RIGHT OF WAYS ON OLD DRAINAGE EASEMENT. MAYBE YOU CAN GET WITH DAN WORTH. I WOULD BE HAPPY TO WORK WITH THE CITY MANAGER AND CITY ATTORNEY AND SEE WHAT CHANGES WE CAN MAKE WITH THIS.

[Time: 01:20:42]

Brad Lundahl: NEXT UP AFTER THAT WE'RE GOING TO GET INTO SOME OF THE PUBLIC SAFETY ISSUES AND THIS IS THE NARROWBANDING ISSUE. I BROUGHT THIS UP LAST YEAR, THIS ISSUE REMAINS. THIS IS AN FCC MANDATE ON THE PUBLIC CITY RADIO, THE 700 RANGE. THE FEDERAL GOVERNMENT IS REQUIRING THIS FREQUENCY BE NARROW BANDED BY 2017. THE ESTIMATED COST FOR OUR PUBLIC SAFETY FOLKS AND THE REGIONAL PUBLIC SAFETY ENTITIES WE'RE WORKING AS A REGIONAL ENTITY IS \$150 MILLION TO IMPLEMENT THIS. SO WHAT WE ARE PROPOSING IS A THREE-PRONGED APPROACH. FIRST, WE WOULD OPPOSE THE REQUIREMENT TO NARROWBAND THIS FREQUENCY REALIZING THIS MAY NOT WORK. OUR SECOND WOULD BE TO GRANT US A WAIVER, AS WE UNDERSTAND IT THE REAL DRIVERS FOR THIS ARE THE EAST COAST MUNICIPALITIES THAT OPERATE DIFFERENTLY THAN WE DO. WE WERE HOPING TO GET AN EXEMPTION. OUR FINAL FALL-BACK POSITION WOULD BE ASKING TO EXTEND THE DEADLINE UP TO 2020 TO GIVE US TIME TO MAKE RESOURCES AVAILABLE.

[Time: 00:22:20]

Mayor Lane: BRAD, EXCUSE ME, THE 700 MEGAHERTZ FOR EXAMPLE SEE IS THAT WHAT WE JUST ADOPTED FOUR, FIVE YEARS AGO AS PART OF THE PUBLIC SAFETY FREQUENCIES ALLOCATED AT THAT TIME.

Brad Lundahl: I WOULD HAVE TO GET BACK TO YOU ON THAT. I AM NOT A FREQUENCY EXPERT.

Mayor Lane: I'M SORRY. I APPRECIATE THAT ANSWER. WE SPEND A HUGE AMOUNT OF MONEY TO MOVE; I BELIEVE IT WAS THE 700 MEGAHERTZ FREQUENCY. IT PALES IN COMPARISON TO THIS POTENTIAL REQUIREMENT TO NARROWBAND. IF IT COSTS US IN THE REALM OF \$150 MILLION IT'S A BURDEN ON THE COUNTRY. A LOT OF COMMUNITIES MOVED TO THAT SAME BAND FREQUENCY.

Brad Lundahl: AND MAYOR, BECAUSE WE DO OPERATE UNDER THE 700 MEGAHERTZ SYSTEM THAT PROBABLY IS THE NEW SYSTEM WE DID ADOPT. THE \$150 MILLION IS FOR FOR THE MARICOPA REGION TOO NOT JUST SCOTTSDALE.

Mayor Lane: YOU ADDED THAT FOR EMPHASIS.

Brad Lundahl: I DID GET YOUR ATTENTION.

Mayor Lane: YOU DID.

[Time: 01:23:57]

Brad Lundahl: NEXT WE'RE GOING TO MOVE INTO A PRESERVATION ISSUE. THE LAND AND WATER CONSERVATION FUND WAS ADOPTED BY THE U.S. CONGRESS ABOUT 46 YEARS AGO, AND THE PURPOSE OF THIS WAS TO PROVIDE GRANTS FOR LAND PRESERVATION FOR PUBLIC OUTDOOR RECREATION. THE GRANTS ARE MADE AVAILABLE TO FEDERAL AGENCIES AND STATE AND LOCAL MUNICIPAL GOVERNMENTS. THE CONGRESS INITIALLY AUTHORIZED \$900 MILLION A YEAR TO GO INTO THE FUND, IT HAS NEVER TO MY KNOWLEDGE BEEN FUNDED TO THAT AMOUNT. LAST YEAR IT RECEIVED \$37 MILLION, WE WOULD ASK THE CONGRESS TO NOT FULLY FUND IT BUT START HEADING BACK UP THAT WAY SO THAT WE MIGHT BE ABLE TO APPLY FOR THE GRANTS TO USE ON THE MCDOWELL, SONORAN PRESERVE.

[Time: 01:25:01]

Councilmember Korte: BRAD, IS THIS THE FIRST TIME OR ONGOING EFFORT FOR THIS LAND AND CONSERVATION FUND RESTORATION, IS THIS THE FIRST TIME WE'VE GONE AFTER THIS?

Brad Lundahl: MAYOR, COUNCILMEMBER KORTE, WE'VE HAD THIS IN THE AGENDA FOR THE PAST COUPLE YEARS. THE PROBLEM IS THE FUNDING AMOUNT IS SO LOW THAT IT MAKES IT DIFFICULT TO GO AFTER THE FUNDS BECAUSE WE DON'T GET MUCH OUT OF IT. SO WE'RE HOPING THE AMOUNT WILL GO UP SO THEY CAN DISTRIBUTE MORE TO THE STATES WHICH IS WHERE WE WOULD GET THE GRANT FROM.

Councilmember Korte: THANK YOU.

Brad Lundahl: SINCE 9/11 THE CITY HAS RECEIVED FEDERAL FUNDS FOR CRIME PREVENTION EQUIPMENT. HOWEVER WE CAN PURCHASE THE EQUIPMENT BUT THERE'S NO FUNDING TO MAINTAIN OR OPERATE THE EQUIPMENT. WE'RE ASKING IF THEY PROVIDE THE EQUIPMENT, GIVE US MONEY TO MAINTAIN THE EQUIPMENT SO IT'S NOT A BURDEN TO US. THIS IS PART OF THE PROGRAM LAST YEAR.

ONE OF THE PROGRAMS THAT DID PROVIDE FUNDING IN THE PAST IS THE MMRS, THE METROPOLITAN MEDICAL RESPONSE SYSTEM. THIS SYSTEM WAS USED TO FUND ANTITERRORISM PREVENTION AND RESPONSE ACTIVITIES. AND WE WERE ASKING THE FEDERAL GOVERNMENT ORIGINALLY TO CONTINUE THESE FUNDS. AS I LEARNED RECENTLY THE DEPARTMENT OF HOMELAND SECURITY HAS CONSOLIDATED THEIR GRANT PROGRAM AND ZEROED OUT THIS FUND. SO WITH THAT SAID, I WOULD ASK TONIGHT THAT I BE GIVEN MORE TIME TO GET TOGETHER WITH OUR CONGRESSIONAL DELEGATION, FIGURE OUT WHAT THE NEW GRANT PROGRAM LOOKS LIKE AND ASSESS OUR NEEDS AND DECIDE IF WE WANT TO GO AFTER FUTURE GRANTS. I WILL REPORT BACK WITH MY FINDING. AS OF NOW IT APPEARS THERE'S LITTLE IF ANY MONEY IN THIS ACCOUNT.

THIS ITEM IF YOU REMEMBER AFTER 9/11 THERE WAS QUITE A BIT OF PROBLEMS WITH AGENCIES BEING ABLE TO COMMUNICATE WITH EACH OTHER. THERE'S A NATIONWIDE EFFORT TO MAKE COMMUNICATION EASIER AMONGST THE AGENCIES, THIS IS AN ITEM STATING WE SUPPORT THAT. THE DIFFERENT LAW ENFORCEMENT AND PUBLIC AGENCIES CAN COMMUNICATE WITH EACH OTHER.

[Time: 01:28:11]

Mayor Lane: EXCUSE ME BRAD, I MAY HAVE LOST TOUCH WITH THIS ITEM. IT REVOLVES AROUND THE 700 MEGAHERTZ FREQUENCY WE INVESTED IN TO HAVE THAT ABILITY TO HAVE THE VARIOUS PUBLIC SAFETY AGENCIES COMMUNICATE. I THOUGHT WE WERE ON THE WAY ON THIS ISSUE. WHEN WE TALK ABOUT NARROWBANDING IT I WONDER IF WE'RE GOING THE OTHER DIRECTION. I'M CURIOUS, THIS HAS BEEN UNDERWAY FOR QUITE SOME TIME AND WE HAVE SPENT SIGNIFICANT AMOUNT OF MONIES TO TRY TO ACCOMPLISH THIS ELEMENT. I DON'T KNOW IF THEY KEEP MOVING THE GOALPOST. I WOULD HAVE THOUGHT WE MADE OUR CONTRIBUTION AND HAD MADE THE ADJUSTMENT TO A FOR EXAMPLE SEE THAT WAS EXCHANGE-ABLE. THEY TOOK AWAY THE FREQUENCY USED BY TV SYSTEMS THAT WERE THE ORIGINAL RABBIT EARS. THEY TOOK THAT AWAY TO INJECT INTO THE MARKETPLACE, SO WE COULD HAVE THIS. I'M CURIOUS WHAT THE STATUS IS OF THAT PROGRAM. IT SEEMS TO BE ME THERE'S BEEN A LOT OF CHANGES.

[Time: 01:29:37]

Brad Lundahl: I THINK YOU ARE CORRECT, WE'RE NOT THERE YET, IT MY UNDERSTANDING THAT SCOTTSDALE IS DOING WELL, SOME OF THE SURROUNDING COMMUNITIES MAY NOT BE THERE YET I THINK THAT'S WHAT THIS ITEM IS TRYING TO ADDRESS. WE'RE CLOSE, LET'S KEEP GOING AND FINISH THIS UP AND NOT STOP MIDSTREAM.

NOW WE'RE GOING TO MOVE TO THE FIRE SIDE OF PUBLIC SAFETY. THESE ARE THE SAFER GRANTS. IF YOU RECALL THESE GRANTS ARE USED BY THE FEDERAL GOVERNMENT TO FUND FIREFIGHTER POSITIONS. THEY MAKE FUNDING AVAILABLE TO PAY THE SALARIES OF NEW FIREFIGHTERS FOR UP TO TWO YEARS, THIS ITEM IS NOT ASKING FOR GRANTS TO HIRE ANY NEW FIREFIGHTERS, HOWEVER IT IS ASKING TO MAKE THE PROCESS EASIER AND MORE USER FRIENDLY. TO MY KNOWLEDGE UNDER BULLET NUMBER 1, FROM WHEN IT IS AVAILABLE TO WHEN THEY CLOSE THE PROCESS IS 30 DAYS. THAT'S VERY DIFFICULT TO ASSESS AND GET AN APPLICATION IN SO THEY ARE ASKING THAT IT BE EXTENDED TO COINCIDE WITH THE PROCESS WE DO HERE IN SCOTTSDALE TO MAKE THAT APPLICATION.

[Time: 01:31:15]

Mayor Lane: ON THIS ONE, WAY HAVE TO BORROW SOMETHING FROM COUNCILMAN ROBBINS CONVERSATION EARLIER. THIS WAS PART OF A STIMULUS PROGRAM THAT CAME OUT AFTER THE ECONOMIC DOWNTURN, TO PUT IT MILDLY. WE HAD A POLICY ON THIS COUNCIL NOT TO ACCEPT STIMULUS FUNDS FOR OPERATIONAL NEEDS, ONLY FOR SHOVEL READY CAPITAL PROJECTS. AND I KNOW THIS TO TAKE PLACE AS AN EFFORT TO GET THE FOUR ON THE TRUCK AS PART OF OUR POLICY, FOUR ON AN ENGINE COMPANY. SO THIS WAS PASSED THROUGH, BUT WITH THE UNDERSTANDING, I THOUGHT IT WAS THREE YEARS BUT IT MAY BE TWO, WITH THE UNDERSTANDING WE WOULD BE

RESPONSIBLE BEYOND THAT THREE YEAR PERIOD OF TIME. I'M VERY INTERESTED IN VIEW OF THE CURRENT ECONOMIC CONDITIONS IN WASHINGTON AND WHAT WE'RE FACED WITH I AM NOT, PERSONALLY AND HERE I'M NOT INTERESTED IN PURSUING STIMULUS FUNDS FOR OPERATIONAL NEEDS FROM THE FEDERAL GOVERNMENT. IT PUTS US IN A POSITION WHERE WE ARE DEPENDENT UPON THE FEDERAL GOVERNMENT FOR OUR OPERATIONAL SUSTENANCE FOR PAYROLL. I DON'T KNOW WHAT WE MEAN BY EXTENDING THE GRANT APPLICATION TO MAKE IT EASIER. I MAY NOT BE THINKING IT'S SOMETHING WE WANT WANT TO PURSUE. WE SHOULD BE GROWING AS OUR COMMUNITY AND RESOURCES ALLOW US TO. I DON'T KNOW IF THERE'S OTHER THOUGHTS ABOUT IT ON THE COUNCIL, I'M NOT PARTICULARLY INTERESTED IN THE PROCESS. I UNDERSTAND IT MAY BE AN OBSTACLE. I DON'T KNOW WE'RE LOOKING TO FOLLOW THAT PATH. ANY OTHER COMMENTS?

[Time: 01:33:25]

Councilman Littlefield: WELL, ACTUALLY YOU HIT UPON THE PROBLEM WITH ALMOST EVERYTHING IN THIS. I'M NOT SURE THAT CONGRESS CARES WHAT THE CITY OF SCOTTSDALE THINKS ANYWAY. I DON'T WANT TO SPEND A LOT OF TIME ARGUING THE DETAILS. MOST EVERYTHING IS ABOUT MAKING SURE WE GET OUR PIECE OF THE PIE, THE SAME ARGUMENT IS GOING ON NOW IN THOUSANDS OF TOWNS AROUND THE COUNTRY AND EVERYONE IS DOING THE SAME THING, OURS IS PROBABLY A DROP IN THE BUCKET WHEN YOU ADD IT ALL UP THAT'S HOW WE GET IN THE PROBLEM WE'RE IN, IN WASHINGTON NOW. I DON'T KNOW HOW IT WILL TURN OUT I'M GOING AGAINST IT JUST ON PRINCIPLE. PROBABLY NO PRACTICAL APPLICATION OF IT BUT AT THE SAME TIME I THINK WE OUGHT TO SEND A MESSAGE THAT PEOPLE OUGHT TO STOP SAYING, WELL, INSTEAD OF NOT SPENDING LETS MAKE SURE WE GET OUR PIECE OF IT. I'M GOING TO VOTE AGAINST THIS JUST ON PRINCIPLE. THIS IS MULTIPLIED BY 10,000 HOW THE CITIES IS HOW WE GET IN TROUBLE.

Mayor Lane: WE'RE IN TROUBLE. ANY OTHER THOUGHTS OR IS THERE A CONSENSUS ON THE REJECTION OF THIS ITEM.

[Time: 01:34:47]

Vice Mayor Robbins: MAYOR, I GUESS I WOULD AGREE WITH WHAT YOU SAID, IF IT'S OPERATIONAL DOLLARS I WOULD AGREE IT'S SOMETHING WE WANT TO REJECT AND ONLY CONCENTRATE IF AT ALL ON THE CAPITAL SIDE OF IT. BRAD, ARE YOU SAYING THESE ARE OPERATIONAL STUFF?

Brad Lundahl: MR. VICE MAYOR, THE FUNDS IF WE WERE TO GET A SAFER GRANT THE FUNDS ARE USED TO PAY THE SALARY AND BENEFIT OF THE FIREFIGHTER FOR TWO, THREE YEARS, AFTER THAT POINT THE CITY IS RESPONSIBLE FOR THE FULL FUNDING OF THAT POSITION IF THEY CHOSE TO KEEP THAT POSITION.

Mayor Lane: THANK YOU. FOR THE RECORD WE RIGHT NOW HAVE THREE FULL TIME POSITIONS THAT ARE FUNDED AT LEAST IN TWO, THREE YEAR PERIOD OF TIMES.

[Time: 01:35:50]

Councilmember Phillips: I THINK, THANK YOU MAYOR. I HAVE TO AGREE WITH THE MAYOR AND BOB. NOBODY IS LOOKING FOR STIMULUS FUNDS, ESPECIALLY ARIZONA. MAYBE OTHER CITIES ARE

THINKING, GREAT, SCOTTSDALE DOESN'T WANT IT, WE'LL TAKE IT. WE DON'T WANT TO BE FUNDING NEW HIRES AND BRINGING THEM IN AND WE'RE STUCK CONTINUING IT OR TELLING THE GUY HE HAS TO GET LOST. IT DOESN'T SOUND LIKE A GOOD IDEA TO ME AT ALL.

Mayor Lane: THANK YOU COUNCILMAN.

[Time: 01:36:21]

Councilwoman Klapp: I LIKE THE SPIRIT OF WHAT'S BEEN SUGGESTED BUT NOT SURE I UNDERSTAND THE IMPACT. RIGHT NOW WE HAVE A SAFER GRANT WE'VE BEEN RECEIVING THAT FUNDS THREE POSITIONS, IS THAT WHAT YOU SAID?

Brad Lundahl: COUNCILWOMAN KLAPP, I'M NOT AWARE OF THOSE POSITIONS. I COULD CHECK ON THAT. I THINK THE MAYOR MADE REFERENCE TO THAT.

Councilwoman Klapp: I'M UNCLEAR AS TO IF WE VOTED AGAINST THIS WHAT WE'RE VOTING AGAINST. THAT'S MY POINT. I'M UNCLEAR, I UNDERSTAND THE POSITIONS THAT ARE BEING STATED HERE, BUT I DON'T WANT TO JUST REJECT IT, UNLESS I FULLY UNDERSTAND.

Brad Lundahl: LET ME SEE IF I CAN CLEAR THIS UP A LITTLE. THIS ITEM WOULD ONLY AFFECT ANYTHING IN THE FUTURE, IT'S ASKING THAT THE PROCESS OF APPLYING FOR AND GETTING A SAFER GRANT IS MORE USER FRIENDLY, BECAUSE OF THE TIME FRAMES INVOLVED IN THE APPLICATION PROCESS SET FORTH BY HOMELAND SECURITY.

Councilwoman Klapp: SO YOU'RE SAYING IT WILL NOT IMPACT WHAT WE'RE RECEIVING CURRENTLY UNDER THE SAFER GRANT PROGRAM ONLY ANY FUTURE. AND YOU DON'T KNOW WHAT THE TIME FRAME IS, BUT PROBABLY THREE YEARS, WHEN THAT ENDS THIS IS APPLYING TO WHAT WILL HAPPEN AFTER THAT.

Brad Lundahl: THAT'S CORRECT. THIS IS JUST REQUESTING THAT THE PROCESS BE MADE SIMPLER TO BE USED IN CASE WE WANTED TO DO IT IN THE FUTURE.

Councilwoman Klapp: THANK YOU.

[Time: 01:38:10]

Mayor Lane: THERE ARE THREE POSITIONS THAT ARE OUT THERE AND THEY ARE DUE TO EXPIRE IF THEY HAVEN'T EXPIRED ALREADY, IN WHICH CASE THEY MOVE TO OUR REGULAR BUDGET. THIS IS ONLY TO MAKE APPLICATION FOR THESE IN THE FUTURE EASIER. IN PRINCIPLE I AM OPPOSED AND FRANKLY AND IN FACT. I DON'T KNOW IF WE HAVE A CONSENSUS TO REMOVE THIS ITEM. I BELIEVE THERE'S FOUR. WE'RE NOT TAKING A VOTE ON THIS NECESSARILY; IT'S NOT AN ACTION ITEM, UNLESS I RECEIVE SUBSTANTIAL OPPOSITION TO IT.

Brad Lundahl: WE CAN TAKE THIS OUT IF IT MAKES EVERYBODY MORE COMFORTABLE.

[Time: 01:38:54]

Councilmember Milhaven: I'M NOT SURE I UNDERSTAND THE OBJECTION. IF WE MAKE A GRANT, IF WE WERE TO APPLY FOR A GRANT WHICH WOULD BE A FUTURE DECISION, HOW LONG WILL IT TAKE BETWEEN THE TIME WE APPLY AND GOT IT DOESN'T PRESUME THAT WE ARE EVER GOING TO DO THAT AGAIN. WHILE I HAVE NO OBJECTION TO TAKING IT OFF I DON'T UNDERSTAND THE CONCERN.

Mayor Lane: IF I WERE JUST TO RESPOND TO THAT I SUPPOSE THE CONCERN REALLY, AT LEAST THE CONSENSUS OF FOUR IS THAT THIS DOES NOT PROVIDE, MAKING THIS SYSTEM SIMPLER OR EASIER OR TIME SENSITIVE IN THE APPLICATION IS NOT PROVIDING US ANYTHING WE WERE LOOKING TO DO. OUR STANDING POLICY THROUGH THE DOWNTURN WAS ONLY TO ACCEPT ANY KIND OF STIMULUS MONEY FOR A ONE-TIME EXPENDITURE SO WE WOULDN'T BE LEFT WITH IT, THAT'S EXACTLY WHAT'S HAPPENING WITH IT HERE. OTHERWISE, IF IT'S A ONE-TIME EXPENDITURE FOR CAPITAL ASSET THAT WE DON'T HAVE POTENTIALLY AN OPERATING COST ASSOCIATED WITH, IT'S A ONE-TIME EXPENDITURE. WHEN YOU TALK ABOUT PERSONNEL OR OPERATING COST YOU HAVE TO CARRY IT, WHEN IT EXPIRES, GOING BACK TO THE FEDERAL GOVERNMENT ASKING THEM TO SUPPLEMENT OUR BUDGET.

Councilmember Korte: I HAVE A HARD TIME ELIMINATING THIS, I DON'T HAVE ENOUGH INFORMATION ON HOW WE'VE USED IT IN THE PAST. ARE THESE SPECIAL PROJECTS THAT HAVE A TERMED LIFE SPAN, THAT ACCOMPLISHED SOMETHING THAT'S NEEDED FOR THE CITY AND GOES AWAY. HOW HAVE WE USED IT AND HOW CAN WE USE IT IN THE FUTURE. I WOULD NOT SUPPORT REMOVING THIS FROM THE AGENDA.

Mayor Lane: OKAY, ON THAT BASIS BRAD, I THINK THERE'S SUPPORT, SORRY, COUNCILWOMAN KLAPP.

[Time: 01:41:02]

Councilwoman Klapp: THERE'S PROBABLY SUPPORT BUT I ESSENTIALLY AGREE WITH WHAT WAS JUST SAID. I'M NOT POSITIVE HOW WE WOULD APPLY FOR A GRANT IN THE FUTURE AND WHAT IT WOULD BE USED FOR. WE'RE SUPPOSING THAT A GRANT APPLICATION WOULD BE THE SAME AS THE APPLICATION THAT WAS MADE WHEN WE GOT HOWEVER MANY PEOPLE THERE WAS THAT'S BEING FUNDED THROUGH THE GRANT. BECAUSE I DON'T KNOW WHAT WE MIGHT USE THE MONEY FOR IN THE FUTURE AND PERHAPS THERE'S SOMETHING THAT COULD BE USEFUL AND I DON'T HAVE ENOUGH INFORMATION I WOULDN'T SUPPORT REMOVING IT AT THIS TIME. IT DOESN'T MEAN DOWN THE ROAD I MIGHT DO THAT, AT THIS POINT I WOULDN'T AGREE TO REMOVE IT FROM THE LIST.

Mayor Lane: THANK YOU COUNCILWOMAN. I DO BELIEVE BRAD THAT WE'LL REMOVE IT ON THE BASIS OF THE CONSENSUS OF FOUR.

[Time: 01:42:07]

Brad Lundahl: NEXT ITEM, WE'RE GOING TO MOVE INTO REGULATORY AFFAIRS, THERE'S BEEN EFFORTS OVER THE LAST SEVERAL YEARS TO EXPAND THE FEDERAL AUTHORITY OVER LAND USE AND LAND USE DECISION NOT ONLY IN ARIZONA BUT ACROSS THE NATION. MORE RECENTLY THERE'S BEEN AN EFFORT TO USE FEDERAL GUIDANCE RATHER THAN LEGISLATION TO ACHIEVE A DEFINITION OF WATERS OF THE UNITED STATES, THE GOAL OF THAT IS TO USE THIS GUIDANCE TO GET MORE

CONTROL OVER THE LAND AND WATERS OVER THE COUNTRY. IT'S OUR BELIEF THAT GUIDANCE IS NOT THE PROPER WAY TO DO THIS. IF A DECISION LIKE THIS SHOULD BE MADE IT SHOULD BE THROUGH AN ACT OF LEGISLATION. NOT THROUGH GUIDANCE, GUIDANCE TO GIVE YOU AN UNDERSTANDING OF WHERE THAT IS ON THE FOOD CHAIN, YOU HAVE LAWS PASSED BY THE CONGRESS, BELOW THAT YOU HAVE REGULATION, AN AGENCY'S ACTION TO IMPLEMENT THE LAW AND THEN YOU HAVE GUIDANCE, WHICH IS REALLY A HOW TO MANUAL THAT'S ISSUED BY AN AGENCY HOW TO ENACT A REGULATION, PROPONENTS OF THIS HAVE ARGUED THAT THIS IS REALLY AN END RUN AROUND THE CONGRESS TO TRY TO ACHIEVE THIS GOAL. THIS STATEMENT IS OUR WAY OF SAYING WE PREFER THAT CONGRESS HAVE A SAY IN THIS.

NEXT WE'RE GOING TO DO AIR QUALITY, THE PM 10 ISSUE, MARICOPA COUNTY IS IN A NON-ATTAINMENT AREA FOR PM 10. PM 10 IS A FANCY WAY OF SAYING DUST. THE PROBLEM WITH WHERE WE ARE RIGHT NOW, WE FACE AS A REGION, FACE SANCTIONS AND POSSIBLE LOSS OF FEDERAL TRANSPORTATION MONEY IF OUR AIR QUALITY DOES NOT MEET FEDERAL STANDARDS. THE AIR QUALITY IN THE REGION HAS INCREASED OVER THE LAST 10 OR SO YEARS, WE ARE HAVING EXCEEDANCES AND AND PUTTING US IN VIOLATION OF THE CLEAN AIR ACT. THESE ARE CAUSED FROM OUR DUST STORMS MANY TIMES. AND IT TOOK A VERY LONG TIME FOR THE EPA TO RECOGNIZE WHAT WE CALL A HABOOB OR DUST EVENT. IN THE LAST YEAR WORKING WITH THE MARICOPA ASSOCIATION OF GOVERNMENTS HAVE COME A LONG WAY AND ARE RECOGNIZING THAT THERE'S THESE NATURAL EVENTS, BUT THE PROBLEM REMAINS WITH THE METHODOLOGY AND WHAT THEY CALL THE EXCEPTIONAL USE EVENT. THEIR RULES AND REGULATIONS NEED TO BE TWEAKED TO RECOGNIZE OUR UNIQUE DUST STORMS SO WE HAVE BEEN WORKING ON THAT AND WE'RE MAKING GOOD STRIDES AND I WOULD LIKE TO TELL OUR CONGRESSIONAL DELEGATION WE WOULD SUPPORT CONTINUING EFFORTS.

[Time: 01:45:50]

Mayor Lane: BRAD, BEING ON THE FRONT LINE OF FIGHTING THIS EPA IS GETTING IN THE CATEGORY ON THE FOOD CHAIN OF GUIDANCE OF EXCEPTIONAL EVENTS FOR US HAVE BEEN FLAWED FOR A LONG TIME. THE FACT WE HAVE TO RESPOND TO 52 EXCEPTIONAL EVENTS IS COSTING OUR COUNTY, OUR REGION AND STATE MILLIONS OF DOLLARS AND IT'S ONE OF THE THINGS WE'RE TRYING TO GET CLARIFIED. ANYTHING WE CAN DO IN THIS AREA TO REIN IN THE EPA AND THE INTERPRETATIONS AND GREATER STANDARDIZATION, WE AS THE STATE HAVE BEEN PERSECUTED OVER THIS ISSUE FOR A LONG TIME, THE NEXT SLIDE MOVES INTO THE NEXT ONE.

Brad Lundahl: NEXT IS THE NAVAJO GENERATING STATION, IT'S NEAR PAGE ARIZONA. IT EMPLOYS A BULK OF THE ELECTRICITY TO OPERATE THE CENTRAL ARIZONA PROJECT WHICH PROVIDES WATER TO THIS REGION. THE ISSUE PENDING WITH THE EPA IS THE REQUESTING THAT THE OPERATORS OF THE POWER PLANT INSTALL ADDITIONAL EMISSIONS EQUIPMENT. BACK IN THE 90s THE NAVAJO GENERATING STATION SPEND \$400 MILLION UPDATING AND INSTALLING EMISSIONS EQUIPMENT, THEY ARE BEING ASKED TO INSTALL ADDITIONAL EQUIPMENT WITH AN ESTIMATED COST NEAR \$1 BILLION. AT THAT \$1 BILLION MARK IT'S UNCERTAIN THE PLAN CAN REMAIN OPEN WITH THOSE TYPES OF COST. IF THE PLANT WERE TO REMAIN OPEN OR CLOSE WE WILL PAY MORE FOR THE WATER DELIVERY BECAUSE OF THE INCREASED COST. WE ARE ASKING THAT BECAUSE WE BELIEVE THIS REGULATION WILL NOT BENEFIT THE GENERAL PUBLIC, THAT WE SEE IT AS UNNECESSARY

REGULATION WE ASK THE EPA TO BACK OFF AND ALLOW THE NAVAJO GENERATING STATION TO CONTINUE OPERATING.

Mayor Lane: EXCUSE ME BRAD. COUNCILMAN PHILLIPS.

[Time: 01:48:46]

Councilman Phillips: HOW FAR CAN YOU GO WITH IT? IS THIS SOMETHING THE ARIZONA LEGISLATION CAN PUT A LAWSUIT AGAINST THE EPA? THIS IS A BIG DEAL. WE CAN'T LOSE THIS GENERATING STATION.

Brad Lundahl: MAYOR LANE, COUNCILMAN PHILLIPS YOU ARE CORRECT, THIS IS A VERY BIG DEAL. AS I MENTIONED THIS STATION PROVIDES THE BULK OF ELECTRICITY FOR THE CENTRAL ARIZONA PROJECT. THERE'S A CONSORTIUM OF USERS LOOKING AT THE ISSUE WORKING WITH EPA AND I DON'T THINK LITIGATION WOULD BE OUT OF THE QUESTION AT THIS POINT IN TIME IF THE EPA WERE TO MOVE FORWARD.

NEXT UP, ALONG THE SAME IDEA, JUST A GENERALIZED STATEMENT WE WOULD OPPOSE UNFUNDED OR BURDENSOME REGULATIONS THAT WOULD INCREASE THE WATER COST. WE WANT TO SEE A COST BENEFITS ANALYSIS ON NEW REGULATIONS.

AND FINALLY, WE HAVE FOREST RESTORATION. THIS IS A RETURNING ITEM AND WAS IN THE STATE LEGISLATIVE AGENDA. THE GOALS ARE PRETTY SIMPLE, THEY ARE TWO-FOLD. IMPROVE THE WATERSHED AND REDUCE THE COST ON THE STREET. WHEN YOU HAVE THESE WILDFIRES YOU HAVE SILTING AND THERE'S A TREMENDOUS COST TO REDUCE THAT IMPACT TO OUR WATER SYSTEMS. WITH THAT MAYOR AND MEMBERS OF THE COUNCIL, I WOULD BE HAPPY TO ANSWER QUESTIONS.

[Time: 01:50:54]

Mayor Lane: THANK YOU BRAD. I THINK WE GOT THEM COVERED ON THE WAY THROUGH. I DON'T SEE GUESS, WELL I WAS WRONG. NEW MEMBER, NEW STYLE. THANK YOU FOR THE PRESENTATION.

Councilmember Korte: YES. THANK YOU MAYOR. JUST A QUICK QUESTION, I'M ASSUMING MANY OF OUR NEIGHBORING COMMUNITIES AND MUNICIPALITIES SHARE THESE CONCERNS AND TO WHAT EXTENT DO WE COLLABORATE WITH THE NEIGHBORING VALLEYS, CITIES, TO LOBBY AND WORK THE CONGRESS FOR THESE ISSUES?

Brad Lundahl: COUNCILMEMBER KORTE, MY COUNTERPARTS AND MYSELF GET TOGETHER TO DISCUSS SIMILAR ISSUES WITH THE IDEA BEING THAT THE MORE PEOPLE VOICING CONCERNS ON AN ISSUE THE BETTER CHANCE YOU HAVE BEING HEARD. QUITE OFTEN WE WILL GO BACK TO WASHINGTON, D.C., AND LOBBY AND WE LOBBY OR TALK TO OUR MEMBERS OF CONGRESS WHILE THEY ARE IN THEIR HOME DISTRICTS. THERE'S QUITE A BIT OF COMMUNICATION THAT GOES ON.

[Time: 01:52:10]

Mayor Lane: THANK YOU COUNCILWOMAN AND THANK YOU BRAD. IF I WERE TO ADD SOMETHING TO GIVE A LITTLE BIT OF BACKGROUND COUNCILWOMAN KORTE. WE ARE MEMBERS OF A SPECIFIC ORGANIZATION IN THE WATER ISSUE, THAT'S AMWA (ARIZONA MUNICIPAL WATER USERS ASSOCIATION). THEY NOT ONLY INVOLVE MUNICIPAL WATER USE AND BUT ALSO SUPPLIES. ONE OF THE THINGS IF WE SPECIFICALLY TALK TOWARD THIS ISSUE OF FOREST RESTORATION HAS COME UP WITH INITIATIVES AND WE'VE HAD A MEASURE OF SUCCESS IN TRYING TO MANAGE OUR FOREST BETTER IN LIGHT OF OPPOSITION TO ANY CHANGES IN THE FORREST AREA BUT TO GET THEM TO BE MORE PRODUCTIVE IN THE FORREST ITSELF BUT AS A WATER SHED. THERE'S BEEN EFFORTS ON THE LOBBYING SIDE WITH BRAD AND HIS CREW AND ALSO WITH OUR LOBBYIST AT THE STATE LEGISLATIVE, WE'VE HAD SUCCESS WITH THAT. THAT'S WORKING ON THE STATE LEVEL. WHAT WE'RE TALKING ABOUT HERE WHICH IS THE HARDER ONE TO FACILITATE IS WHAT ARE THEY DOING WITH FEDERAL LAND. WE'VE HAD GREATER DIFFICULTY GETTING CHANNELS OPEN UP TO HAVE THEM FOLLOW TO A SLIGHT DEGREE WHAT THEY'VE DONE IN THE STATE. JUST A LITTLE BIT OF BACKGROUND. I HOPE THAT'S HELPFUL.

Mayor Lane: BRAD THANKS THAT WAS A GREAT PRESENTATION. OUR NEXT ITEM IS ITEM 19, WHICH IS MAYOR AND COUNCIL ITEMS. WITHOUT ANY LOSS OF INSTRUCTIVE IN TRAINING ISSUES I'VE BEEN ASSURED BY MR. WASHBURN HE WILL TAKE US THROUGH THIS QUICKLY.

MAYOR AND COUNCIL ITEMS

[Time: 01:54:14]

ITEM 19 – ETHICS REFRESHER TRAINING

City Attorney Bruce Washburn: THE GOOD NEWS, I'M GOING TO PROVIDE YOU WITH USEFUL INFORMATION. I'M NOT GOING BACK THROUGH THE RECITATION OF DON'T HIT REPLY WHEN YOU GET E-MAILS. I'VE HAD CHANGE AS A RESULT OF THE RULES OF THE INDEPENDENT ETHICS OFFICER ON AN ETHICS COMPLAINT REGARDING INTERACTION WITH EMPLOYEES. WITH RESPECT TO GIFTS WHICH IS MOST COMMON AND MOST DIFFICULT TO APPLY TO ETHICS ISSUE. I'M GOING TO GIVE YOU A SHORT END TEST THAT YOU CAN APPLY WHEN A GIFT ISSUE ARISES.

LET ME GET STARTED. LIKE I SAID, WE'RE GOING TO TALK ABOUT INTERACTION WITH EMPLOYEES AND WE'RE GOING TO TALK ABOUT GIFTS.

WELL, THE COUNCIL AND ITS MEMBERS MAY INTERACT WITH SUCH EMPLOYEES, EMPLOYEES OF OFFICERS OF THE CHARTER OFFICERS, FOR THE PURPOSE OF INQUIRIES. HOWEVER, NEITHER THE COUNCIL NOR ANY OF ITS MEMBERS OR MEMBER OF AN APPOINTED PUBLIC BODY SHALL GIVE ORDERS TO ANY SUCH EMPLOYEES EITHER PUBLICLY OR PRIVATELY. SO YOU CAN MAKE INQUIRIES OF EMPLOYEES, BUT YOU CAN'T GIVE ORDERS TO THEM DIRECTLY. BUT AS I SAID, THE ITEMS THAT WE'VE BEEN TALKING ABOUT DON'T APPLY TO THESE FEW EMPLOYEES WHOSE DUTIES ARE TO SERVE THE MAYOR OR COUNCILMEMBERS. THE CHARTER ALSO GOES ON TO SAY THAT THE COUNCIL, AT A PUBLIC MEETING, MAY EXPRESS IT'S VIEWS FULLY AND FREELY DISCUSS WITH ANY OFFICER OF THE CITY ANYTHING PERTAINING TO CITY AFFAIRS OR THE INTERESTS OF THE CITY. OF COURSE, THE OFFICERS OF THE CITY ARE THE CHARTER OFFICERS APPOINTED BY THE CITY COUNCIL.

SO AS A PRACTICAL MATTER, HOW DOES THIS PLAY OUT? LET ME START BY POINTING OUT THIS IS OUR CITY'S CHARTER. IT'S NOT, LIKE, A LOT OF JUDGES AND SCHOLARS HAVE LOOKED AT THESE ISSUES AND WRITTEN A GREAT DEAL ABOUT WHAT THEY MEAN. WE PRETTY MUCH HAVE TO MAKE OUR OWN DETERMINATION OF WHAT THEY MEAN AND THE ETHICS CODE DOESN'T MAKE IT MY RESPONSIBILITY TO VIGOROUSLY ENFORCE AND ADVOCATE FOR THE ETHICS POLICIES THAT ARE IN THE CODE. AS A CONSEQUENCE, I TRY AND COME TO SOME UNDERSTANDING OF WHAT THESE PROVISIONS MEAN. WHAT IS THE CITY CHARTER REALLY DRIVING AT? WHAT IS IT THAT YOU ARE ALLOWED TO DO AND WHAT IS IT THAT YOU ARE NOT ALLOWED TO DO? AND, THIS IS KIND OF CONCLUSION THAT I DRAW FROM ALL THIS, WELL, ONE OTHER POINT THAT I WANTED TO MAKE IS THAT COUNCIL HAS ACTUALLY LIMITED, WITH RESPECT TO INQUIRIES TO EMPLOYEES, IN COUNCIL RULE 13.1 THAT YOU ADOPTED GOVERNING YOUR OWN ACTIONS. IT STATES THAT ANY INQUIRY THAT YOU'RE GOING TO MAKE OR ANY OTHER REQUEST YOU'RE GOING TO MAKE OF A CITY EMPLOYEE, IF IT'S GOING TO TAKE MORE THAN EIGHT HOURS THAT IT HAS TO BE APPROVED BY THE WHOLE COUNCIL.

LET ME GET BACK TO THE ISSUE OF WHAT YOU CAN AND WHAT YOU CANNOT SAY TO THE CITY EMPLOYEES. WITH RESPECT TO MAKING INQUIRIES OF EMPLOYEES, I THINK THAT IT SHOULD BE SELF-EVIDENT THAT THIS REALLY IS MEANT FOR YOU TO BE ABLE TO OBTAIN THE INFORMATION THAT YOU NEED TO DO YOUR DUTIES SO INQUIRIES OF EMPLOYEES, OBVIOUSLY SHOULD NOT BE SUBVERTED TO CIRCUMVENT THE RULES. FOR EXAMPLE, I DON'T THINK THAT IT WOULD FALL WITHIN THE PERMISSIBLE BOUNDS UNDER THE CHARTER FOR YOU TO INQUIRE OF A DIRECTOR OVER DEPARTMENT "GEE, DON'T YOU THINK YOUR DEPARTMENT WOULD BE BETTER OFF WITHOUT SO AND SO WORKING FOR IT?" THAT WOULD NOT BE A PROPER INQUIRY. THAT WOULD BE A MEANS OF CIRCUMVENTING THE RULES. BUT THE PROVISION ALLOWING YOU TO MAKE INQUIRIES OF EMPLOYEES ARE TO GENUINELY OBTAIN THE INFORMATION THAT YOU NEED TO DO YOUR DUTIES. ANOTHER EXAMPLE WOULD BE "DON'T YOU THINK IT WOULD BE A GOOD IDEA TO WRITE A CITATION TO SO AND SO BECAUSE THEY'RE VIOLATING THIS, THAT, OR THE OTHER CODE PROVISION?"

[Time: 02:00:00]

Bruce Washburn: BUT LET'S TALK ABOUT THE ISSUE THAT ACTUALLY CAME UP. IN AN OPEN MEETING, THE COUNCIL WAS HAVING INTERACTIONS WITH AT THAT TIME THE PUBLIC SAFETY DIRECTOR AND THAT WAS WHAT GAVE RISE TO THE ETHICS COMPLAINT. IN MY OPINION, THE FACT THAT THE CHARTER SPECIFICALLY SAYS THAT IN OPEN MEETINGS, THE COUNCIL IS SUPPOSED TO BE ABLE TO FULLY DISCUSS ANY MATTER THAT COMES BEFORE THE COUNCIL. THE INTENTION THERE IS THAT WITH RESPECT TO THE CHARTER OFFICERS, THE ONES THAT ARE _____ BY THAT PROVISION, OF COURSE WHEN I'M STANDING UP HERE AND IT'S AN OPEN MEETING AND THE PUBLIC IS SITTING RIGHT THERE, YOU CAN AND SHOULD FEEL ABSOLUTELY FREE TO SAY TO US WHATEVER IT IS YOU NEED TO SAY, ASK US WHATEVER YOU NEED TO ASK. BUT THE QUESTION IS WHAT ABOUT WHEN WE HAVE SOME OTHER EMPLOYEES STANDING UP HERE. I THINK THAT IN MOST CIRCUMSTANCES AND PERHAPS IN ALL CIRCUMSTANCES, THE REAL IMPLICATION IS THAT THE EMPLOYEE WHO IS UP HERE, FOR EXAMPLE, IF I HAD ONE OF MY ATTORNEYS UP HERE ANSWERING YOUR QUESTION, IT WOULD BE AS MY REPRESENTATIVE AND IT WOULD BE MY INTENTION THAT YOU WOULD BE ABLE TO ASK THAT EMPLOYEE, THAT ATTORNEY, WHATEVER QUESTIONS YOU NEED TO ASK. HE CAN'T BE EXPECTED TO KNOW EVERY DETAIL AND EVERY FACT THAT THEY KNOW REGARDING THEIR JOB AND SO, IN ORDER TO PRESENT YOU WITH THE INFORMATION YOU NEED FROM TIME TO TIME, MR. WORTH IS GOING TO

HAVE HIS EMPLOYEES UP HERE REPRESENTING HIM AND HE'S SITTING RIGHT THERE WHEN ALL THIS WAS GOING ON. SO MY OPINION IS THE CHARTER INTENDS THAT WHEN AN OFFICER HAS AN EMPLOYEE UP HERE AS THEIR REPRESENTATIVE THAT YOU SHOULD BE ABLE TO INTERACT WITH THAT EMPLOYEE AND IT'S IN A PUBLIC MEETING. THE PUBLIC IS NOT BEING IN ANY WAY DISADVANTAGED. THERE'S NOTHING GOING ON THAT THE PUBLIC DOESN'T KNOW ABOUT. YOU SHOULD BE ABLE TO INTERACT WITH THAT EMPLOYEE THE SAME AS WITH THE OFFICER. BUT OF COURSE, THAT'S A VERY NARROW EXCEPTION. THAT DOESN'T APPLY OUTSIDE OF PUBLIC MEETINGS. IT DOESN'T APPLY OUTSIDE OF THAT CHARTER PROVISION THAT SAYS THAT YOU SHOULD BE ABLE TO FULLY INTERACT WITH THE CHARTER OFFICER. AND, FRANKLY IF THE CHARTER OFFICER DOES NOT WANT YOU TO BE ABLE TO ASK QUESTIONS OF THE EMPLOYEE, AND TO INTERACT WITH THEM THE SAME WAY AS YOU INTERACT WITH THE CHARTER OFFICER, THEY CAN MAKE THAT CLEAR TO YOU.

SO LET ME GO FROM THERE TO WHAT HAPPENED WITH THE INDEPENDENT ETHICS OFFICER'S RULING ON THE ETHICS COMPLAINT THAT WAS BROUGHT REGARDING THE INTERACTION WITH THE PUBLIC SAFETY DIRECTOR. JUDGE FIDEL, WHO IS ACTING AS THE INDEPENDENT ETHICS OFFICER, WHEN HE REVIEWED THAT COMPLAINT AS YOU'LL REMEMBER MADE A RULING THAT, IN FACT, THERE HAD BEEN A VIOLATION OF THE TRANSGRESSION OF THE PROHIBITION IN THE ETHICS CODE ON INTERACTION WITH EMPLOYEES. HOWEVER, HE DID NOT THINK THAT IT JUSTIFIED OR WARRANTED AN ETHICS COMPLAINT AND I'LL TALK ABOUT THAT IN A SECOND. I HAVE NO REASON TO DISAGREE WITH THE INDEPENDENT ETHICS OFFICER'S DETERMINATION IN THAT CASE. BUT YOU HAVE TO REMEMBER THAT HE WAS MAKING THAT DETERMINATION BASED ONLY ON THE ALLEGATIONS THAT HAVE BEEN MADE WITHOUT ANY HEARING, WITHOUT ANY INVESTIGATION, WITHOUT HAVING HEARD THE OTHER SIDE OF THE STORY. THAT'S THE WAY THE ETHICS CODE IS WRITTEN. HE MAKES A REVIEW OF THE INITIAL COMPLAINT AS IT COMES IN AND MAKES A DETERMINATION WHETHER IT WARRANTS FURTHER ACTION.

MY PERSONAL OPINION IS THAT IF, IN FACT, IT HAD PROCEEDED FURTHER AND THE INFORMATION HAD COME OUT THAT THE PUBLIC SAFETY DIRECTOR HAD BEEN ACTING, I BELIEVE IT WOULD HAVE BEEN SHOWN THAT HE'D BEEN ACTING FOR THE ACTING CITY MANAGER. I WOULD LIKE TO THINK THAT THE RESULT WOULD HAVE BEEN THE SAME AS THE ONE THAT I HAD JUST DISCUSSED. THAT IT WOULD HAVE BEEN FOUNDED THAT IT WAS APPROPRIATE AND THERE HAD NOT BEEN A TRANSGRESSION OF THE CODE. THAT'S MY OPINION. LIKE I SAID, WE HAVE TO INTERPRET THIS CODE. WE'RE THE ONES WHO HAVE TO FIGURE OUT WHAT IT MEANS AND HOW IT WORKS. THAT'S MY OPINION ON WHAT IT MEANS AND HOW IT SHOULD WORK.

THE OTHER ISSUE I DID WANT TO ADDRESS IS THAT THE INDEPENDENT ETHICS OFFICER DETERMINED THAT THE MATTER WOULD NOT PROCEED FURTHER BECAUSE THE ETHICS CODE SAYS THAT AN ETHICS VIOLATION ONLY GOES TO HEARING AND FURTHER REPORT IF IT'S BEEN A VIOLATION OF A MANDATORY REQUIREMENT AND HE DETERMINED THAT THE PART OF THE ETHICS CODE THAT HAD BEEN TRANSGRESSED, THE PROHIBITION ON GIVING DIRECTION TO EMPLOYEES WAS AN ADMINISTRATIVE PROVISION. WELL, THE CODE DOESN'T DEFINE ADMINISTRATIVE PROVISIONS SO HE DID THAT BY ANALYZING WHAT DOES IT GENERALLY MEAN TO ADMINISTER SOMETHING AND DETERMINE THAT BECAUSE THE CITY MANAGER IS THE CHIEF ADMINISTRATIVE OFFICER OF THE CITY, THEREFORE, SOMETHING THAT TRANSGRESSES HIS AUTHORITY WOULD BE ADMINISTRATIVE TRANSGRESSION. AGAIN, THE INDEPENDENT OFFICER MADE THE DETERMINATION THAT HE MADE. THAT WAS HIS RESPONSIBILITY SO, OF COURSE, I DO NOT DISAGREE WITH HIM. I HARDLY EVER

DISAGREE WITH JUDGES EVEN AFTER THEY'VE RETIRED BECAUSE IT USUALLY DOESN'T GET YOU VERY FAR. BUT I THINK THERE'S GOING TO BE VERY LIMITED CIRCUMSTANCES WHERE THIS EXCEPTION IS GOING TO APPLY. I THINK MOST OF THE PROVISIONS IN THE ETHICS CODE ARE MANDATORY. VERY FEW ARE GOING TO BE FOUND TO BE ADMINISTRATIVE BUT THAT'S THE FINDING HE MADE IN THIS CASE. I WENT BACK THROUGH THE ETHICS CODE AND WAS LOOKING FOR OTHER PROVISIONS THAT I THOUGHT WOULD BE ADMINISTRATIVE. I THINK PROBABLY THE ONLY OTHER ONES THAT CAME TO MY MIND WOULD BE THINGS LIKE HAVING TO SIGN SOME OF THE DOCUMENTS THAT YOU HAVE SITTING ON YOUR DAIS THAT I'M GOING TO TALK ABOUT IN A MINUTE BY A PARTICULAR POINT IN TIME. I THINK THAT'S ADMINISTRATIVE MATTER THAT DOESN'T GO TO THE SUBSTANCE OF THE CODE, AND IT'S PROBABLY AN ADMINISTRATIVE PROVISION. ASPIRATIONAL PROVISIONS ARE THE PROVISION THAT SAYS EVEN IF THERE'S NOT A REAL CONFLICT, IF THERE'S AN APPEARANCE OF IMPROPRIETY THAT YOU CAN RECUSE YOURSELF FROM ACTING. THAT'S THE APPEARANCE OF IMPROPRIETIES AND ASPIRATIONAL PROVISION. THOSE EXCEPTIONS ARE FEW AND FAR BETWEEN.

[Time: 02:06:52]

Mayor Lane: EXCUSE ME, MR. WASHBURN. WE DO HAVE A COMMENT OR QUESTION FROM VICE MAYOR ROBBINS.

Vice Mayor Robbins: THANK YOU, MAYOR. MR. WASHBURN, SO IS THAT THE CASE IN ALL INDEPENDENT ETHICS OFFICERS' DELIBERATIONS, THEY'RE MADE ON THE BASIS OF THE ALLEGATION ONLY.

Bruce Washburn: THE WAY IN WHICH IT WORKS IS WHEN THE COMPLAINT COMES IN, IF THE COMPLAINT IS AGAINST THE MAYOR OR A COUNCILMEMBER THEN I AM DIRECTED TO IMMEDIATELY FORWARD IT TO THE INDEPENDENT ETHICS REVIEW OFFICER. THE INDEPENDENT ETHICS REVIEW OFFICER THEN REVIEWS THE ALLEGATIONS IN THE COMPLAINT, BECAUSE HE DOESN'T GET ANY COMMENT FROM ME. HE DOESN'T GET ANY INPUT FROM ANYBODY ELSE. HE HAS, I THINK IT'S A 15-DAY PERIOD IN WHICH TO REVIEW THE ALLEGATIONS IN THE COMPLAINT AND DETERMINE ON THE FACE OF THE COMPLAINT WHETHER IT WARRANTS GOING FURTHER. HE LOOKS TO SEE WHETHER IT'S TIMELY, WHETHER IT'S VERIFIED, WHETHER IT MEETS ALL THE CONDITIONS, WHETHER IT MAKES AN ALLEGATION OF A MANDATORY BREACH. THEN IF, IN FACT, HE DETERMINES THAT THERE IS A BASIS FOR PROCEEDING FURTHER, AND I SHOULD SAY SO FAR WE'VE ONLY HAD TWO ETHICS COMPLAINTS AGAINST COUNCILMEMBERS AND NEITHER ONE OF THEM GOT PAST THE INITIAL REVIEW BY THE INDEPENDENT ETHICS OFFICER. BUT IF HE DOES DETERMINE THAT IT SHOULD GO FURTHER THEN A BODY OF THREE ETHICS OFFICERS IS IMPANELED AND HAD THEY ACTUALLY CONDUCT A HEARING AND GET BOTH SIDES OF THE STORY AND THEN THEY DETERMINE WHETHER OR NOT AFTER HAVING HEARD ALL THE FACTS THEY FEEL THERE'S A VIOLATION. DOES THAT ANSWER YOUR QUESTION?

Vice Mayor Robbins: YES. THANK YOU.

Mayor Lane: ALL RIGHT. THANK YOU, COUNCILMAN.

[Time: 02:08:50]

Bruce Washburn: ALL RIGHT. SO THAT'S MY LITTLE DISCUSSION OF WHAT I THINK THE RAMIFICATIONS ARE AND THE FACTS SURROUNDING THE COMPLAINTS THAT WE HAD THIS YEAR AND THE INDEPENDENT ETHICS OFFICER'S ACTIONS ON THAT COMPLAINT.

NOW, LET'S TALK ABOUT GIFTS. LORD KNOWS WE'VE TALKED ABOUT GIFTS PLENTY IN THE PAST. LIKE I SAID, I'M GOING TO TRY AND GIVE YOU A SHORTHAND WAY THAT ANY TIME YOU HAVE A GIFT ISSUE THAT COMES UP THAT YOU CAN ANALYZE IT AND COME TO A CONCLUSION ABOUT WHETHER OR NOT IT'S ACCEPTABLE FOR YOU TO TAKE THE GIFT. THIS IS GOING TO BE A SHORTHAND WAY BUT BECAUSE IT'S GOING TO BE SHORTHAND, THERE'S LOTS OF NUANCES AND PERMUTATIONS THAT I'M JUST GOING TO SKIP OVER AND TRY AND GIVE YOU A SIMPLE WAY TO THINK ABOUT THESE THINGS. YOU MAY NOT THINK IT'S SIMPLE BY THE TIME I'M DONE TALKING BUT IT'S SIMPLER THAN THE FULL-BLOWN ANALYSIS THAN WE'VE DISCUSSED BEFORE. SO WHAT I'M GOING TO SAY IS USE THIS KIND OF SHORTHAND WAY OF LOOKING AT THINGS WHEN YOU WANT TO ANALYZE THINGS. IF YOU DO THIS ANALYSIS AND THEN AT THE END OF IT YOU'RE GOING, GEE, I'M NOT QUITE SURE THAT'S RIGHT THEN MY OFFICE, WE'RE ALWAYS HEAR TO HELP YOU DO THE MORE NUANCE, THE MORE DETAILED ANALYSIS.

BASICALLY, THERE ARE TWO DIFFERENT PROVISIONS IN THE SCOTTSDALE CITY CODE THAT APPLY TO GIFTS AND COUNCILMEMBERS. ONE IS IN THE ETHICS CODE AND THAT'S SRC 2-50(a). LIKE I SAID, THAT APPLIES JUST TO COUNCILMEMBERS AND BOARD AND COMMISSION MEMBERS. THE OTHER IS IN THE HUMAN RELATIONS PART OF SCOTTSDALE CODE, SECTION 14-135. IT APPLIES TO EVERYBODY IN THE CITY, INCLUDING ELECTED OFFICIALS. SO LET'S START WITH THE ETHICS CODE PROVISION 2-50, AND THE KEY TO 2-50 IS THAT IT APPLIES TO GIFTS FROM PEOPLE ENGAGED IN A GENERAL PRACTICE OR SPECIFIC SITUATION THAT INVOLVED THE CITY'S DECISION MAKING OR PERMITTING PROCESSING. SO THAT'S THE FIRST THING YOU HAVE TO ASK YOURSELF WHEN SOMEBODY OFFERS YOU A GIFT. LET ME ADD THIS, I THINK THE VAST MAJORITY OF GIFTS THAT WE'RE TALKING ABOUT ARE TICKETS TO EVENTS. I MEAN, I DON'T THINK PEOPLE ARE SENDING YOU THAT MANY GIFT BASKETS. MAYBE THEY ARE, I DON'T KNOW. BUT THE QUESTIONS I GET AND THE GIFT REPORTS THAT I SEE ARE, I'M GOING TO SAY 99 TIMES OUT OF A HUNDRED, IT'S A TICKET TO AN EVENT ALMOST ALWAYS SO I'M JUST GOING TO FOCUS ON THAT, AGAIN, JUST TRYING TO STREAMLINE THIS PROCESS.

THE FIRST THING YOU ASK YOURSELF WHEN SOMEBODY OFFERS YOU A TICKET TO SOMETHING IS, IS THIS PERSON ENGAGED IN A GENERAL PRACTICE OR SPECIFIC SITUATION THAT INVOLVES THE CITY'S DECISION MAKING OR PERMITTING PROCESSING. OF COURSE, THIS IS ANOTHER ONE OF THOSE TERMS THAT'S NOT DEFINED ANYWHERE. WE HAVE TO FIGURE OUT FOR OURSELVES WHAT THIS MEANS. ENGAGED IN A GENERAL PRACTICE, THOSE ARE THE PEOPLE WHO ARE DOWN HERE ON A REGULAR BASIS BRINGING ZONING CASES IN FRONT OF YOU, DOING PERMITTING. THERE ARE CERTAIN PEOPLE WHO WE SEE REPEATEDLY ON THE LIQUOR LICENSE APPLICATION. THOSE ARE THE PEOPLE WHO ARE ENGAGED IN THE GENERAL PRACTICE IN FRONT OF THE CITY. EVEN IF THEY DON'T HAVE SOMETHING IN FRONT OF YOU AT THE PARTICULAR MOMENT THEY MIGHT BE OFFERING YOU TICKETS TO SOMETHING NEXT WEEK OR NEXT MONTH THEY'RE GOING TO, BECAUSE IT'S WHAT THEY DO. WE SEE THEM ALL THE TIME ENGAGED IN A SPECIFIC SITUATION THAT INVOLVES THE CITY'S DECISION MAKING OR PERMITTING PROCESSES THEY ARE MOSTLY ENGAGED IN THE PRESENT TENSE SO THESE ARE THE PEOPLE THAT ACTUALLY HAVE SOMETHING IN FRONT OF THE CITY RIGHT NOW. MY SUGGESTION WOULD BE THAT IF YOU KNOW THAT THEY'RE GOING TO BE FILING SOMETHING NEXT WEEK, EVEN THOUGH THEY'RE OFFERING YOU THE TICKETS THIS WEEK, THAT YOU TREAT THEM

AS IF THEY ARE PRESENTLY ENGAGED. IF YOU KNOW THAT THEY HAVE SOMETHING THAT THEY'RE GOING TO BE BRINGING IN FRONT OF THE COUNCIL, ERR ON THE SIDE OF CAUTION.

[Time: 02:12:39]

THE OTHER TRICKY PART IS PEOPLE WHO ARE BACK HERE EVERY YEAR, CULTURAL COUNCIL COMES TO MIND. I DON'T MEAN TO PICK ON THEM, BUT WE KNOW THAT THEY ARE GOING TO BE COMING IN FRONT OF THE CITY COUNCIL EVERY YEAR, WITH RESPECT, BECAUSE WE HAVE A CONTRACT WITH THEM THAT REQUIRES THEM TO COME IN FRONT OF THE CITY COUNCIL EVERY YEAR FOR AN APPROPRIATION. I DON'T KNOW THAT YOU WOULD CALL IT THAT THEY'RE ENGAGED IN A GENERAL PRACTICE BECAUSE THEY'RE GOING TO BE BACK HERE ONCE A YEAR, OR IF IT'S A SPECIFIC SITUATION THAT EVEN THOUGH IT MIGHT NOT BE IN FRONT OF YOU AT ANY PARTICULAR MOMENT, YOU KNOW IT'S GOING TO BE IN FRONT OF YOU AT SOME TIME. SO I THINK THE PEOPLE THAT ARE BACK HERE ONCE A YEAR FOR SOME MAJOR ITEM THAT'S PART OF THE CITY'S DECISION-MAKING PROCESS ARE INTENDED TO FIT WITHIN THIS. SO THOSE ARE THE PEOPLE THAT ARE COVERED BY THIS PART OF THE ETHICS CODE. IF YOU GET SOMETHING FROM ONE OF THEM THAT'S OFFERED TO YOU FROM ONE OF THEM THEN, UNLESS IT FITS INTO THIS EXCEPTION I'M GOING TO TALK ABOUT IN JUST A SECOND, YOU CAN'T TAKE IT. IT'S NOT WHETHER IT'S OVER \$25 IN COST BECAUSE THE \$25 HAS NOTHING TO DO WITH WHETHER OR NOT IT'S A GIFT. IT JUST HAS TO DO WITH WHETHER YOU REPORT IT. IT'S NOT WHETHER IT'S SOMETHING PEOPLE MIGHT THINK IT WOULD INFLUENCE YOU OR IMPROPERLY INFLUENCE YOU. IF IT'S FROM ONE OF THEM YOU CAN'T TAKE IT UNLESS; THE EXEMPTION INCLUDES ENTERTAINMENT, HOSPITALITY INCLUDING MEALS, TRANSPORTATION AND TOKEN MEMENTOS DIRECTLY ASSOCIATED WITH EVENTS THAT THE OFFICIALS ATTENDING AS A REPRESENTATIVE OF THE CITY.

SO PLEASE NOTE THAT IT HAS TO BE ONE OF THESE THINGS: ENTERTAINMENT; HOSPITALITY INCLUDING MEALS; TRANSPORTATION AND TOKEN MEMENTOS; IT HAS TO BE ASSOCIATED WITH AN EVENT; AND YOU HAVE TO BE ATTENDING AS A REPRESENTATIVE OF THE CITY. I THINK THE FIRST TWO PARTS OF THAT, THE ENTERTAINMENT, HOSPITALITY, TRANSPORTATION AND TOKEN MEMENTOS, PEOPLE CAN DISAGREE ABOUT WHAT CONSTITUTES A TOKEN AND AN EVENT, WE ALL KNOW WHAT AN EVENT IS. THAT'S PRETTY BROAD, BUT WHAT IT MEANS IS NOT GETTING SOMETHING FOR YOUR BIRTHDAY. IT MEANS AN EVENT THAT YOU ACTUALLY GO AND PHYSICALLY ATTEND.

WHAT DOES IT MEAN TO BE A REPRESENTATIVE OF THE CITY WE'VE HAD THIS DISCUSSION BEFORE, AGAIN, NOT A DEFINED TERM. I LOOK AT IT AS A CONTINUUM ON ONE END OF THE CONTINUUM YOU'RE THERE ON THE PROGRAM AS A SPEAKER; YOU'RE RECOGNIZED AS A COUNCILMEMBER; YOU'RE UP ON THE DAIS. EVERYBODY KNOWS THAT'S WHY YOU'RE THERE; YOU GIVE A SPEECH ON SOLID WASTE REMOVAL OR WHATEVER IT IS YOU'RE THERE TO TALK ABOUT. YOU KNOW, CLEARLY YOU'RE THERE AS A REPRESENTATIVE OF THE CITY DOING YOUR DUTY AS CITY COUNCIL MEMBER AND PRESENTATION OF THE GROUP. THE OTHER END OF THE SPECTRUM IS YOU'RE WALKING AROUND WITH A COCKTAIL IN YOUR HAND; YOU DON'T HAVE A NAME TAG ON; AND SOMEBODY ASKS YOU WHAT DO YOU DO AND YOU SAY, WELL MY DAY JOB I'M CHIEF EXECUTIVE OF APPLE BUT I'M ALSO A CITY COUNCILMEMBER. THAT'S THE OTHER END OF THE SPECTRUM AND I'M GOING TO SAY THAT'S NOT THERE AS A REPRESENTATIVE OF THE CITY. YOU KNOW, THE FARTHER YOU GO DOWN THAT SPECTRUM, FOR EXAMPLE, LET'S SAY YOU'RE SITTING THERE AT THE TABLE AND YOU'VE GOT A NAME TAG ON SAYING I'M COUNCILMEMBER SO AND SO AND SOMEBODY RECOGNIZES EVERYBODY AS A

COUNCILMEMBER, I'D SAY YOU'RE PROBABLY THERE AS A REPRESENTATIVE OF THE CITY. SO THERE'S A SPECTRUM THERE AND IF YOU GET TO THE POINT WHERE YOU'RE SAYING, GEE, I DON'T KNOW IF I'M A REPRESENTATIVE OF THE CITY OR NOT THEN YOU'RE PROBABLY NOT AND IT PROBABLY DOESN'T FIT WITHIN THIS EXCEPTION. SO JUST TO RECAP THE WAY OF LOOKING AT THESE THINGS, IF IT COMES FROM ONE OF THOSE PEOPLE WHO'S IN FRONT OF THE COUNCIL ON A REGULAR BASIS OR WHO HAS A GENERAL PRACTICE, A PARTICULAR MATTER THAT COMES IN FRONT OF THE COUNCIL THEN YOU CAN'T TAKE A GIFT FROM THEM UNLESS IT'S ENTERTAINMENT, TRANSPORTATION, AND THERE'S A SPECIFIC EVENT AND YOU'RE THERE AS A REPRESENTATIVE OF THE COUNCIL. SO THAT'S THE EASY WAY TO LOOK AT THAT ONE.

THE ETHICS CODE, YOU HAVE TO LOOK AT WHO IT'S COMING FROM AND THEN WHETHER OR NOT IT FITS WITHIN THE EXCEPTION. NOW, ARS 14-135, THE PROVISION THAT APPLIES TO EVERYBODY IN THE CITY, AND THIS DOES NOT FOCUS ON WHO THE GIFT COMES FROM THIS FOCUSES ON WHETHER ANYBODY COULD REASONABLY CONSTRUE THE GIFT AS AN ATTEMPT TO EXERT IMPROPER INFLUENCE OR AS A REWARD FOR ANYTHING YOU'VE ALREADY DONE, THAT COULD REASONABLY BE CONSTRUED. AGAIN, THERE'S NO DEFINITION FOR THAT BUT YOU HAVE TO USE YOUR COMMON SENSE, AND I THINK UNDER OUR ETHICS CODE, YOU HAVE TO ERR ON THE SIDE OF CAUTION AND NOT QUIBBLE ABOUT WHETHER ANYBODY COULD REASONABLY CONSTRUE IT. IF YOU'RE ASKING YOURSELF A QUESTION OF WHETHER IT COULD REASONABLY BE CONSTRUED THEN IT PROBABLY COULD BE CONSTRUED AND YOU PROBABLY SHOULD CONSIDER IT TO BE A GIFT. EVEN IF AFTER YOU CONSIDER WHETHER OR NOT IT COULD REASONABLY BE, SOMEBODY IS GOING TO GIVE YOU SOMETHING AND YOU DON'T THINK IT COULD REASONABLY BE CONSTRUED BUT YOU STILL WANT TO TAKE IT AND IT'S WORTH MORE THAN \$25 THEN YOU HAVE TO REPORT IT. Y'ALL KNOW WHERE THE FORMS ARE OUR ESTEEMED CLERK WILL MAKE THEM AVAILABLE TO YOU AND ASSIST YOU WITH THE FORMS AS SHE DOES ON A REGULAR BASIS.

[Time: 02:18:10]

Bruce Washburn: THEN 14-135 COMPLICATES MATTERS EVEN FURTHER BY SAYING BUT THESE AREN'T GIFTS. NOW, IT DOESN'T SAY THOSE ARE GIFTS YOU CAN ACCEPT IT SAYS THESE AREN'T GIFTS. THEY'RE NOT CONSIDERED GIFTS. ADMISSION TO EVENTS THAT ARE SPONSORED OR FUNDED IN WHOLE OR IN PART BY THE CITY ARE SPONSORS. IN A SECOND I'M GOING TO GET TO A LIST OF SPONSORED EVENTS. ALSO YOU HAVE A RESOLUTION THAT HAS A LIST OF SPONSORED EVENTS AT YOUR PLACE ON YOUR DAIS. I'M GOING TO GET TO WHATEVER SPONSORED EVENTS, BUT PLEASE REMEMBER IF YOU'RE GOING TO GO TO ONE OF THESE EVENTS THE TICKET HAS TO COME FROM THE CITY OR THE SPONSOR. IT CAN'T COME FROM, FOR EXAMPLE, IF THERE'S A PR (PUBLIC RELATIONS) FIRM THAT REPRESENTS THE SPONSOR, THEY CAN'T ACQUIRE TICKETS AND GIVE THEM TO YOU THEY HAVE TO COME FROM THE SPONSOR. NOW, MAYBE THEY COULD COME THROUGH THE PR FIRM, BUT THEY HAVE TO COME FROM THE SPONSOR. THEN THE SECOND EXCEPTION IS REASONABLE HOSTING, AND TO ME, THIS IS ESSENTIALLY THE SAME AS THE EXCEPTION THAT FITS UNDER 2-50. THIS IS WHERE YOU'RE GOING AS A REPRESENTATIVE OF THE CITY AND THEN YOU CAN TAKE THE RUBBER CHICKEN THAT YOU GET TO EAT AND ALL THOSE THINGS. THOSE ARE THE TWO EXCEPTIONS THAT REALLY COVER, AGAIN, 99% OF THE GIFTS THAT I SEE ON THE GIFT FORMS BECAUSE THESE ARE BASICALLY THE ONES THAT COVER EVENTS. THERE'S ALSO, I'LL JUST TOUCH ON THESE BRIEFLY, GOODWILL TOKENS OF APPRECIATION ACCEPTED ON BEHALF OF THE CITY. SO THAT MEANS THAT WHEN YOU LEAVE YOUR OFFICE, YOU HAVE TO LEAVE IT IN THE OFFICE IT DOESN'T GO HOME WITH

YOU. ITEMS RECEIVED AND DONATED TO CHARITABLE ORGANIZATIONS I DID WANT TO POINT THIS ONE OUT BECAUSE I'VE TALKED ABOUT THIS BEFORE. SOMETIME YOU'LL BE AT ONE OF THESE EVENTS WHERE YOU'RE THERE AS A REPRESENTATIVE OF THE CITY AND THEY'LL COME UP AND SAY, THANK YOU SO MUCH, HERE'S A GOLD WATCH; HERE'S A HUNDRED-DOLLAR GIFT CERTIFICATE. I'M GOING TO SAY THAT'S NOT A TOKEN MEMENTO. THAT GOES BEYOND TOKEN MEMENTO, BUT IT'S VERY AWKWARD TO SAY, OH, WAIT, I CAN'T TAKE THAT IT LOOKS LIKE YOU'RE TRYING TO BRIBE ME. SO YOU CAN ACCEPT THOSE AND THEN YOU CAN TURN AROUND AND DONATE THEM AND PLEASE DOCUMENT THAT YOU DO SO, TO A CHARITABLE ORGANIZATION AND IT'S FINE. YOU HAVE NOT VIOLATED; YOU HAVEN'T STEPPED ON ANYBODY'S TOES; YOU HAVEN'T BEEN OFFENSIVE IN FRONT OF THE AUDIENCE THAT YOU'VE COME TO SPEAK TO; BUT YOU'VE ALSO NOT VIOLATED THE GIFT CODE.

[Time: 02:20:43]

Mayor Lane: EXCUSE ME.

Bruce Washburn: YES, SIR.

Mayor Lane: DOES THE CITY TREASURER'S ANNUAL AUCTION OF ITEMS QUALIFY AS A CHARITY?

Bruce Washburn: YEAH. I MEAN, HE TURNS ALL THAT OVER TO VISTA.

Mayor Lane: OKAY. ALL RIGHT.

Bruce Washburn: YEAH. I CERTAINLY HOPE SO BECAUSE I LIKE GOING TO THAT. HE DOES A GREAT JOB WITH THAT. I THINK WE'RE GOOD WITH THAT ONE.

Mayor Lane: ALL RIGHT.

[Time: 02:21:12]

Bruce Washburn: OKAY. THIS IS THE LIST OF CITY-SPONSORED EVENTS. WE ACTUALLY ENTER INTO AGREEMENTS WITH THESE PEOPLE THAT STATE AS THE SPONSOR AND THERE'S ACTUALLY TWO PAGES OF THE LIST SO THESE ARE THE ONES THAT I KNOW OF. IF YOU GET SOMETHING TO AN EVENT THAT'S NOT ON THIS LIST AND YOU THINK IT MIGHT QUALIFY, YOU CAN CONTACT MY OFFICE. I THINK, STEVE USUALLY IS THE ONE WHO COMPILES THIS LIST, BUT CONTACT MY OFFICE AND WE'LL FIND OUT WHO TO ASK ON WHETHER OR NOT IT BE A SPONSORED EVENT THAT WOULD FIT WITHIN THIS EXCEPTION. SO THAT'S KIND OF MY THUMBNAIL ON HOW TO APPLY THESE TWO CODE SECTIONS. THE FIRST ONE IS IF IT COMES FROM SOMEBODY WHO'S GOT A REGULAR PRACTICE IN FRONT OF US OR A SPECIFIC ITEM IN FRONT OF US, DON'T TAKE IT UNLESS IT'S AN EVENT WHERE YOU'RE GOING TO BE THERE AS A REPRESENTATIVE AND WE TALKED ABOUT WHAT THAT MEANS. IF IT'S A GIFT THAT COMES FROM SOMEBODY ELSE AND ANYBODY CAN THINK THAT YOU'RE GETTING IT IS EITHER TO INFLUENCE WHAT YOU DID OR TO THANK YOU FOR SOMETHING THAT YOU DID AS A REWARD FOR SOMETHING THAT YOU DID, THEN YOU HAVE TO CONSIDER WHETHER OR NOT ANYBODY WOULD REASONABLY CONSTRUE IT AS IMPROPER AND IF THEY WOULD THEN YOU CAN'T TAKE IT UNLESS IT FITS INTO ONE OF THESE EXCEPTIONS AND, AGAIN, YOU'RE LOOKING AT THE SPONSORED EVENTS OR I'M THERE AS A REPRESENTATIVE OF THE CITY. SO THAT'S IT. LOOK AT WHO IT CAME FROM. IF YOU GET PAST THE

FIRST TEST THEN LOOK AT WHETHER ANYBODY COULD THINK IT WAS IMPROPERLY INFLUENCING YOU AND IF THEY COULD, YOU CAN STILL TAKE IT IF IT'S A CO-SPONSORED EVENT OR YOU'RE THERE AS A REPRESENTATIVE OF THE CITY. THERE. THAT'S LIKE ONE LONG RUN-ON SENTENCE THAT HAS EVERYTHING IN IT YOU NEED FOR GIFTS 99% OF THE TIME, AND MY OFFICE IS THERE FOR THE OTHER 1%.

Mayor Lane: WE'LL WATCH THE VIDEO FOR REPLAY.

Bruce Washburn: YOU HAVE SOME DOCUMENTS AT THE DAIS, YOUR PERSONAL INTEREST DISCLOSURE FORMS. COUNCILMEMBERS KORTE AND PHILLIPS, I BELIEVE YOU ALREADY SIGNED YOURS AND GOT THEM TO THE CLERK. I'M GETTING A NOD FROM THE CLERK SO THAT'S TRUE. THE REST OF YOU PLEASE LOOK THOSE OVER, IF YOU KNOW THE ANSWER TO THE QUESTIONS AND WANT TO SIGN THEM, GIVE THEM TO THE CLERK TODAY SHE WOULD PROBABLY BE DELIGHTED BUT THEY'RE DUE NO LATER THAN JANUARY 31ST. ALSO UP THERE, THE FORM THAT YOU NEED TO SIGN THAT SHOWS THAT YOU BASICALLY JUST LISTENED TO ME GO ON AND COMPLIED WITH THAT OBLIGATION UNDER THE ETHICS CODE. THEN I GAVE YOU A PAPER COPY OF RESOLUTION 9214 THAT HAS THE LIST OF SPONSORED EVENTS ON IT BECAUSE I KNOW SOMETIMES THESE QUESTIONS COME UP AND YOU MAY NOT HAVE ACCESS TO THE CITY'S WEB SITE. SO THAT'S MY PRESENTATION, AND I WOULD BE HAPPY TO TAKE ANY QUESTIONS.

Mayor Lane: THANK YOU VERY MUCH. WE DO HAVE A COMMENT OR QUESTION FROM COUNCILMAN PHILLIPS.

[Time: 02:24:13]

Councilmember Phillips: THANK YOU, MAYOR. MR. WASHBURN, I KNOW YOU TALKED ABOUT THIS EARLIER, BUT I JUST WANT TO GET THIS CLEAR IN MY HEAD. SHOULD THE COUNCIL, LET'S SAY, DRILL A DEPARTMENT HEAD ON A PARTICULAR ISSUE OR SHOULD THE CITY MANAGER TALK TO THAT DEPARTMENT HEAD AND THEN REPORT BACK TO THE COUNCIL ABOUT THAT? .

Bruce Washburn: IF IT'S NOT HAPPENING AT A PUBLIC MEETING THEN IT'S DEFINITELY YOU TALK TO THE CHARTER OFFICER AND THE CHARTER OFFICER TALKS TO THE DEPARTMENT HEAD. NOW, THE CHARTER OFFICER MIGHT SAY, I WANT YOU TO TALK TO THE DEPARTMENT HEAD, BUT THAT'S UP TO THE CHARTER OFFICER.

Councilmember Phillips: OKAY. I THINK YOU KNOW WHAT I'M REFERRING TO IS WHAT HAPPENED BEFORE, AND I'M JUST WONDERING IF YOU SHOULD CONTINUE WITH THE DEPARTMENT HEAD OR AT WHAT POINT DO YOU SAY, YOU KNOW, THIS DISCUSSION IS OVER. WE SHOULD BE TALKING TO CITY MANAGER. YOU SHOULD HAVE BROUGHT THIS UP TO HIM. HE SHOULD BE THE ONE THAT SHOULD BE REPORTING TO US SO WE'RE NOT, LIKE, YOU KNOW DELEGATING CITY MANAGER'S AUTHORITY, KIND OF GOING OVER HIS AUTHORITY BY GOING DIRECTLY TO DEPARTMENT HEADS INSTEAD OF HIM DOING IT.

Bruce Washburn: WELL, WHAT I WAS SAYING BEFORE IS THAT IF THE CITY MANAGER CHOOSES TO HAVE A DEPARTMENT HEAD COME UP HERE AND TALK TO YOU ABOUT A PARTICULAR MATTER THEN

IN MY OPINION, THE CITY MANAGER HAS DELEGATED THAT DEPARTMENT HEAD TO ACT IN HIS STEAD OR HER STEAD.

Councilmember Phillips: SO THE FACT THAT HE'S UP HERE ALREADY MEANS THAT YOU'VE ALREADY DELEGATED HIM.

Bruce Washburn: THAT WOULD BE MY OPINION. I KNOW THAT IF I ASK SOMEBODY TO COME UP HERE AND ADDRESS YOU ON A CERTAIN MATTER THAT THEY CAN EXPECT TO BE ASKED QUESTIONS. THAT'S THE WHOLE POINT OF THAT PROVISION IN THE CHARTER THAT SAYS THAT THE COUNCIL CAN FREELY DISCUSS ANY MATTER AT AN OPEN MEETING. THESE ARE THE OPEN MEETINGS, THESE ARE THE CHANCES FOR YOU AND THE PUBLIC TO HEAR WHAT THE CITY MANAGER AND HIS DESIGNEES HAVE TO SAY.

[Time: 02:26:05]

Mayor Lane: THANK YOU, COUNCILMAN. AND, AGAIN, THANK YOU, MR. WASHBURN, VERY COMPREHENSIVE AND ENLIGHTENING, THANK YOU.

ADJOURNMENT

Mayor Lane: THANK YOU. WE DO NOT HAVE ANY PETITIONS AND WE DO NOT HAVE ANY ITEMS AND, THEREFORE, I WILL ACCEPT, NOW AFTER THE FACT, THE MOTION TO ADJOURN AND THE SECOND.

ALL IN FAVOR OF ADJOURNMENT PLEASE INDICATE BY AYE.

AYE.

WE ARE ADJOURNED. THANK YOU VERY MUCH, EVERYONE.